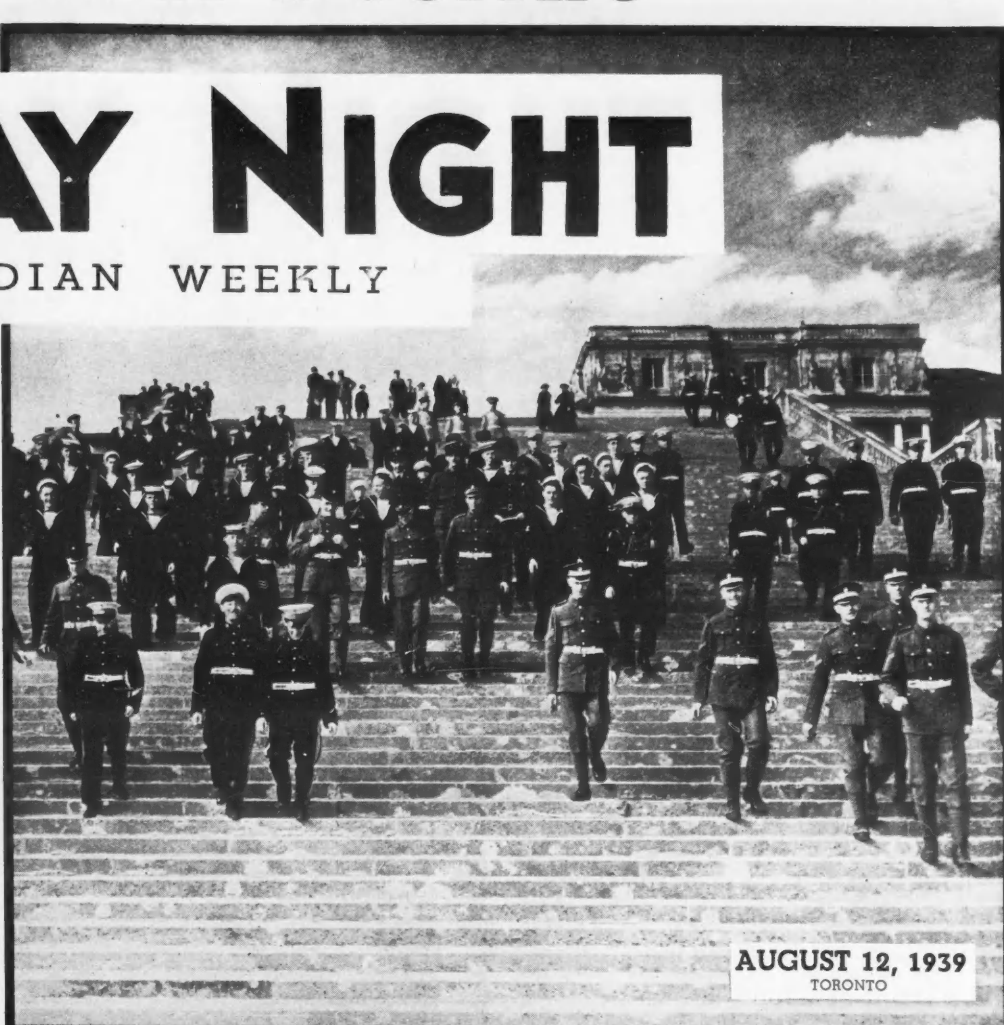


SATURDAY NIGHT

THE CANADIAN WEEKLY



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Judging from the rate at which Party Platforms were coming in when we went to press, about half of the readers of SATURDAY NIGHT want to save the country and make Fifty Dollars. The competition closes at noon today, August 12, and as the selection of the winner will require rather a considerable exercise of our best political judgment it is hardly likely that we shall be able to announce the award in our next issue.

Mr. King Celebrates

THE necessity of putting this page to press before the banquet in Toronto in celebration of Mr. King's twenty years in the party leadership prevents us from making any comment upon what the Prime Minister may be saying on that occasion, since it is not his practice to communicate advance copies to the press. As we write, however, it is already evident that the occasion will be a fairly convincing evidence that Mr. King is far from having lost any of his hold upon the allegiance and affection of the great majority of the Liberal voters. Criticism of some of the policies of his Government there has been, in Liberal as well as non-Liberal circles, but we can find very little evidence that such criticism has led to any serious disaffection within the party, in spite of its being so vigorously voiced by the leader of the provincial Liberals. Controversies between a provincial Government and the Dominion Government, even when both are of the same political stripe, are far from unusual in Canada, and the only unusual thing in the present one is Mr. Hepburn's freedom of expression.

Criticism has been directed mainly to two subjects, the financial policy of the Dominion in regard to aiding the provinces in dealing with unemployment, and the refusal of the Prime Minister to make a definite pronouncement as to the course which the Dominion will take in the event of Great Britain entering into a major war. There is justification for both criticisms, but friendly critics do not fail to remember that the problem in both cases is an extremely difficult one. The present constitutional relations of the Dominion and provinces are very unsatisfactory, and such as to make wise and far-seeing co-operation between them difficult enough even if both parties in every case entered into it with goodwill—which they do not always do. As regards the demand for commitments in advance concerning a war, the motive is the belief that such commitments might have a deterring effect upon the enemies of democracy; but against that it needs to be remembered that commitments entered into by the Government and violently and demonstratively objected to by a considerable section of the population might have quite the opposite effect. The unwise handling of minorities in connection with war has on previous occasions had disastrous effects in Canada, effects which are still felt; and the charge that a given course of action (or inaction) is designed for "getting the Quebec vote" may be perfectly true and may at the same time be the best evidence that that same course of action is also designed to preserve our national unity.

Mr. King has an extraordinarily difficult task to perform, and is performing it with notable skill, and fortunately with an excellent measure of good health. He has to govern the country with the materials which the country itself provides, including a highly diversified collection of political groups and a highly unworkable constitution. It is open to grave doubt whether any of the available candidates for his succession, including Mr. Hepburn himself, could do much better.

Advice For Legislature

MR. McCULLAGH'S *Globe and Mail* has, we are glad to note, no intention of helping Mr. Hepburn to continue his efforts to close the courts against the victims of his Succession Duty re-assessments. The paper refuses, and we think rightly, to believe that it is the wish of the people of Ontario "to deny any citizen the privilege of defending himself in the courts from what he considers an unjust claim." It hopes that at the proposed special session of the Legislature (to be called, according to Mr. Hepburn, for the purpose of nullifying the effect of a recent court decision against the government) the

THE FRONT PAGE

Succession Duty measure will "be made clear, final and just." It feels, as we do, that "if executors or legatees have been guilty of fraud they should not be absolved of the crime by making a cash settlement with the Treasury. They ought to be prosecuted in the courts and be punished by the courts."

This is the attitude which we have hoped would be taken by the *Globe and Mail*, a newspaper which has the advantage of catering to a very large part of the serious-minded and substantial readers of the Province. If it has been somewhat slow in coming to that position, it is not without excuse. Mr. Hepburn has been so insistent in his proclamations of outrageous frauds discovered to have been perpetrated against the Ontario Treasury in the past, that it is only after two years or more of such proclamations that it has begun to dawn upon the public that no evidence of such frauds has ever been produced, and that all that is known of what has been going on is that some millions of dollars have been collected by the device of defining as "donations *inter vivos*" various transactions which nobody would have dreamed of so classifying when the estates were originally declared, and by the retroactive application of new methods of valuing securities. We share with the *Globe and Mail* the hope that the Ontario Succession Duty Act will one day be made "clear, final and just;" but it will not be clear until the principles of its interpretation are laid down once and for all by the courts, and it will not be made just until these same courts are enabled to protect the citizen against any arbitrary act of definition or valuation by the representatives of the Crown.

War-Power Question

DISCUSSION of the constitutional question whether a declaration of war by the United Kingdom automatically puts Canada in the status of a belligerent continues, and continues to be full of unwise saws and inapposite instances. The divisibility of the Crown in regard to internal affairs is universally admitted; but much ink is spilled to prove that it is, or is not, equally divisible in external relations. Mr. T. S. Ewart, for example, in a letter to the *Montreal Gazette*, cites the fact that some of the early Georges were Electors of Hanover at

the same time as they were Kings of Great Britain, and that on several occasions one of their realms was at war while the other was not. But this proves nothing as regards the King of Great Britain and the King of Canada. The present George is King of Canada because he is King of Great Britain, and for no other reason. The earlier Georges were never Electors of Hanover because they were Kings of Great Britain, nor vice versa. There was never the slightest constitutional connection between the countries.

There are those who think that a constitutional relationship which has been clarified is less likely to cause trouble than one which has not, and there are those who hold the contrary opinion. The latter are apt to be the people in responsible positions, who will have to accept the onus of doing the clarifying. Nobody doubts that the King of Great Britain, on the advice of his British Government, had prior to 1920 the power to declare Canada to be at war. Nobody, so far as we are aware, can point to any act by which the British Government has dispossessed the King of Great Britain of that power, or to any act by which the Canadian Government has taken it over. The Statute of Westminster is certainly not conclusive on the subject. Mr. Ewart and some others want Canada, by a definite act, to take over that power. Mr. King, and probably Dr. Manion, but not Mr. Woodsworth, want Canada to let things lie.

Nobody suggests that if Canada took such action the British Government would raise any objection; but it would probably seek immediately for some guarantee from the Canadian Government—thenceforward to be regarded as an ally rather than a dependent authority—that certain valuable facilities on Canadian soil which are automatically available while Canada is automatically at war along with Great Britain would continue to be available, and reliably available, after Canada took over her own foreign relations. This would compel Canada to give a great deal more thought to her foreign policy than she has had to do in the past; and the division of opinion is really between those who think that such responsibility would be beneficial to the nation and enhance its sense of unity and its feeling of obligation to humanity, and those who think that a slightly longer period of—shall we say, tutelage?—

THE PASSING SHOW

BY HAL FRANK

GOERING says that Canada would support Great Britain in a general war. We think it is only fair that he should reveal his source of information to Premier King.

AN ENGLISHMAN'S DREAM

Von Ribbentrop: "The crops are in, Fuehrer, now is the time for our armies to strike!"
Hitler: "Sorry, old fellow, it wouldn't be sportin'. The British cabinet is away on a fishing trip."

We are all fighting to preserve Canada as a democratic country, but when Premier Hepburn and opposition leader Drew get so chummy, we think the principle is being carried a little too far.

The Germans insist that they must have more living room, but judging from recent reports from the Reich, what they need is more dining room.

Question of the Hour: Who left the screen door open?

The suspicion deepens that President Roosevelt has given Congress enough rope to hang him.

Now that the nudist movement has grown to such proportions in Great Britain we await with apprehension another Japanese insult at the barricades of Tientsin when an English nudist is compelled to put on his clothes.

As the Ontario Government has indicated by tightening up the law, if all motorists dim their lights they won't have to damn the other fellow's.

It is a funny thing about humanity, how it hates to throw away worn-out things, like broken-down sofas, old carpet slippers and civilization.

Timus who is constantly amazed at the modern ingenuity in constructing artificial products, says that this is undoubtedly the age of original synthesis.

And you will know it is Utopia, too, because there won't be any sanitariums.

If you believe the *Globe & Mail*, the pall that is hanging over the country is completely the work of the politicians.

Premier Chamberlain got angry because a small number of his followers voted against him. We wonder how his temper would survive a year in the White House?

If there is human life on Mars, we suspect that those lines on the planet are not canals but bandages.

Esther says that she had four weeks' vacation this year, two weeks when she was away and two weeks when her boss was away.

↑ THE PICTURES ↓

PARIS WAS THE PERFECT HOSTESS on the occasion of the recent visit of picked detachments of British troops to the French capital. The visitors were accorded the place of honor in the impressive parade of France's military strength and during their off hours were royally entertained. LEFT, the Grenadier Guards in the march past along the Champs Elysees and RIGHT, members of the Brigade of Guards, Royal Marines and Royal Navy on the grand staircase at Versailles during a sight seeing trip.

would give the admittedly youthful nation a chance to qualify itself better for full national status. It is not a question of loyalty and disloyalty (and we are glad to note that the discussion in the *Gazette* has been singularly free from any such expressions). It is a question of what is best for a one-time colony, of very mixed racial strains and economic interests, which is slowly evolving into what most of us hope, in spite of present superficial discouragements, will ultimately be a great, united, tolerant and democratic nation. This is not a legalistic problem, and the early Georges do not enter into it at all.

Political Annulment

THE example of Mr. Justice Forest's many successful clients is evidently catching, at any rate in the Province of Quebec. It is generally supposed that the Conservative party of Canada is wedded to non-unification of the railways, as the result of a betrothal effected by Mr. Bennett in his "co-operation ever, amalgamation never" speech, and of a marriage ceremony performed by Dr. Manion at the Ottawa Convention of 1938. But here is the *Montreal Gazette* applying for an annulment of this marriage on the ground that one of the parties was *non compos mentis* and did not know what it was doing at the time. The *Gazette* says that the Ottawa Convention "rubber-stamped a resolution sent up by a committee but which did not represent the views of that committee as a whole. It is reasonably safe to say that a very different recommendation would have been forwarded had all the members of the committee been present at that time." The *Gazette* wants to effect a marriage between the Conservative party and a new individual known as "unification of management," and to that end is virtually asking that the Ottawa ceremony be declared null and void and that the party be free to enter into new commitments without waiting for the rather painful process of divorce from a marriage which has hitherto been supposed to be perfectly lawful, whether it was wise or not.

The newspaper has called the Hon. C. H. Cahan as a witness in support of its plea, and has elicited from him the statement that "though the terms of the (Ottawa Convention) resolution, as finally adopted, are somewhat confusing, the resolution of the Senate majority"—the Meighen-Beaubien declaration for unification adopted two months ago—"is not altogether inconsistent with the views of a large number of members of the main resolutions committee (of the Convention) as expressed to me in conversations with them at the time."

We think the *Gazette* is making a mistake. There is no Mr. Justice Forest in politics, and we do not believe public opinion will ever admit that the Ottawa Convention railway resolution was passed by mistake or while the delegates were drunk (on Dr. Manion's oratory of course), and has no binding effect. We think the *Gazette* should have taken the simpler line of declaring that "opposition to unification or amalgamation" means "support of unification of management"—that the party is already properly married to the right person in spite of everybody thinking it was married to somebody else,—and that Dr. Manion is bound by the resolution to join hands with Sir Edward Beatty and appoint him (as soon as the Conservatives come to power) as unified manager and non-political board all in one.

Concurrent Powers Should Solve Commerce Impasse

BY H. E. CROWLE

IN AN earlier article I discussed the lost field of Dominion powers and proposed that it be made a field of concurrent powers for the Dominion and the Provinces. Regulation of Trade and Commerce, although still belonging to Parliament, might also be more or less classed as a lost power for all the use it is to the Dominion. Thanks to Privy Council decisions, this originally undivided power has been divided up between the Dominion and the Provinces, and because it seems impossible to discover with certainty the actual dividing line, the power is of little value to either government.

But the same division occurs in other federations, with much the same difficulties in discovering the line of division. When the United States constitution was adopted in 1789, Congress was limited to the control of interstate and foreign commerce only, the sole control of internal state commerce being left with the State governments. There arose then the great problem of distinguishing between the two kinds of commerce—intrastate and interstate—and this has been found to be one of the toughest, and most troublesome of all constitutional questions with which American courts have had to wrestle.

The Commerce power of Parliament in the B.N.A. Act did not follow that of the United States Constitution, but gave to the Dominion simply the power to "regulate trade and commerce" without any limitations to interprovincial and foreign commerce as in the United States Constitution. Constitutional decisions have limited it to the regulation of interprovincial and foreign commerce, and have left with the provinces the sole control of their own internal commerce, because it is said that Dominion regulations of the internal commerce of the province would be an interference with civil rights. After many years of attempting to draw the line between interprovincial commerce and commerce that is wholly intra-province, and with the "assistance" of leading constitutional decisions, it is still extremely difficult, if not impossible, to draw "good" and "valid" Dominion Commerce-regulating Acts.

Series of Failures

The Dominion and the provinces have left no stone unturned in their separate and joint efforts to get around the constitutional difficulties, but all have ended in failure. Dominion Acts, commencing with the Livestock Act of 1917, have dealt with such matters as stockyards regulation, and the grading, packing, inspection, licensing of dealers and so forth, as regards livestock, meats, fish, fruits, vegetables and other primary products. Because these Acts incidentally included regulation of "transactions within a province," under provincial control, the provinces passed "enabling" Acts, in order to make valid whatever in these Dominion Acts would be under the control of the provinces. But unhappily for such Dominion-provincial co-operation, these "enabling" Acts appear to be of no avail, because the Courts of Appeal of several provinces have found them invalid, the reason being that the provinces cannot in this way give constitutional powers to the Dominion that it has not already got.

Neither may the provinces, where they create their own marketing schemes, permit them to sell their products outside of the province; they must limit their operations to sales within the province. Marketing Acts of Saskatchewan and British Columbia were set aside by the courts, because they affected sales outside of these provinces. British Columbia, however, succeeded in passing a Marketing Act in 1936, that was found valid by the Privy Council because it confined sales within that province.

Finally we come to the Dominion Marketing Act of 1934, brought into being as a result of Dominion and provincial co-operation, the provinces passing enabling Acts similar to those above mentioned. This national marketing scheme came into being in order that marketing boards might be set up under Dominion authority, which could market natural products within a province, among the provinces and in foreign countries. The Dominion could also give to such marketing boards, the power to make levies on producers with which to pay marketing expenses, etc., a thing that provincially-created boards could not do, the Courts having said that such levies are indirect taxation, which belongs to the Dominion.

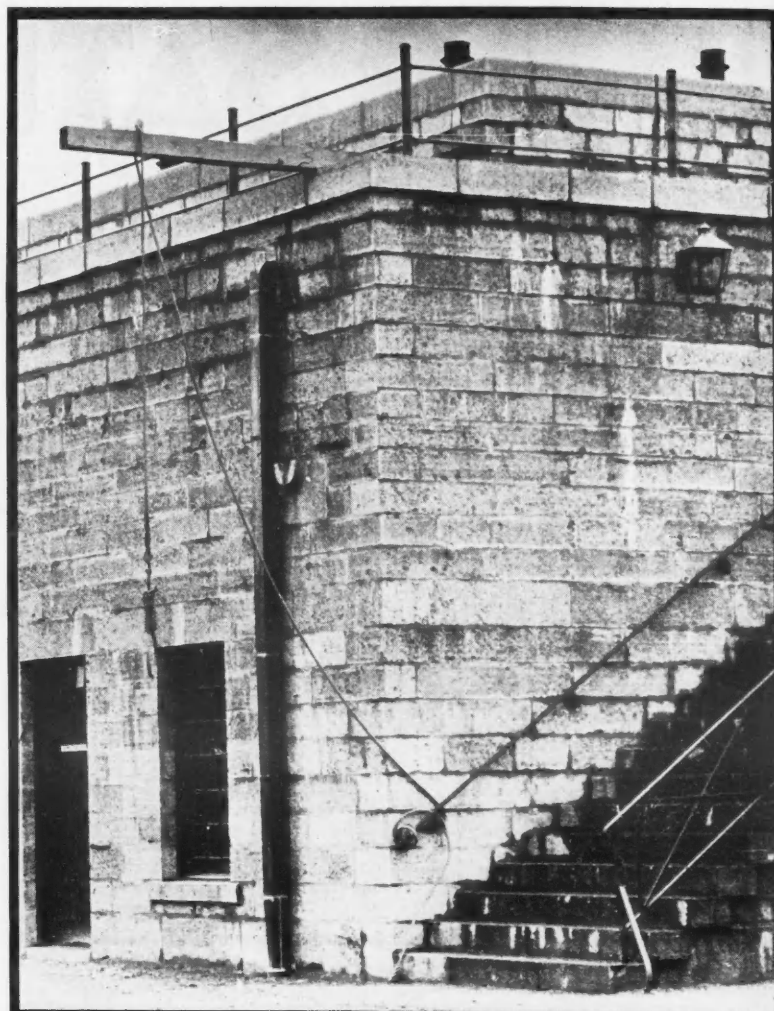
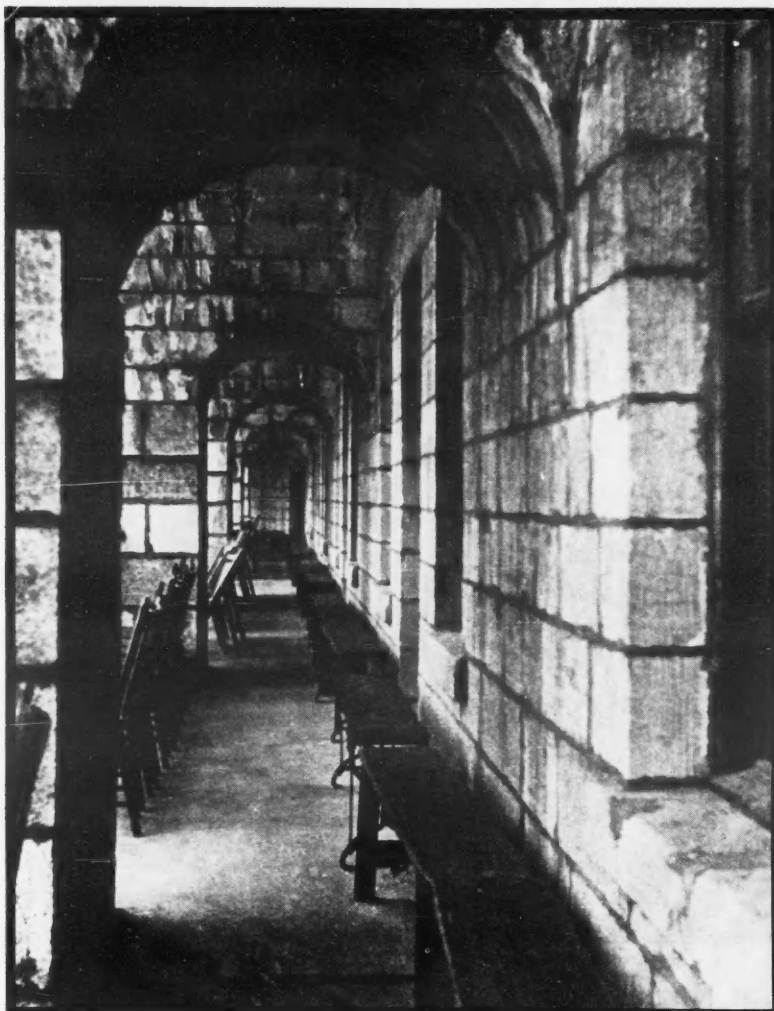
But this great national marketing scheme, acknowledged in Canada and elsewhere, as one of the most advanced to be found anywhere, came to grief at the hands of the Supreme Court and the Privy Council merely because it included the regulation of transactions in natural products that would be "confined wholly within a province," although such transactions would be obviously an indispensable incident of any workable national marketing scheme.

Needed Dominion Power

I suggest that in order to clear up the whole commerce power tangle, all that has to be done is to give to Parliament the power to pass laws with respect to "commerce within a province." This would enable the Dominion to include in any national marketing or other such scheme the regulation of "transactions within a province," without thereby dynamiting the whole Act, as happened to the Dominion Marketing Act of 1934.

Here we unhappily face an impasse, for if the provinces were to surrender to the Dominion their power to regulate their own internal commerce, Parliament would have to assume that control, which would mean for instance Dominion regulation of the milk supplies of cities and other municipalities. As it is apparent that the provinces would never concede any such powers, the door would appear to be closed on the one and only solution of the problem.

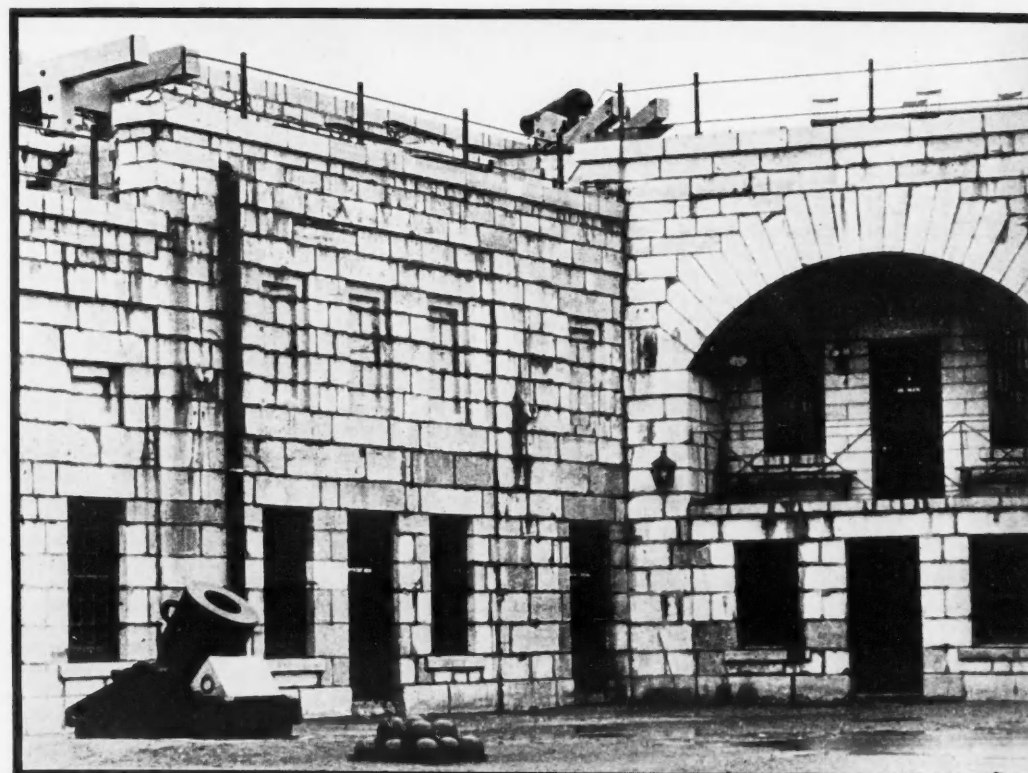
But the principle of concurrent powers described in the preceding article may here be summoned to the rescue to provide a complete solution. Applied solely to the "commerce within a province," it would admit the Dominion into such regulation side by side with the Provinces, but without thereby interfering with provincial control. It is obvious, of course, that the Dominion would only have occasion to make use of such privilege when enacting a Marketing Act similar to that of 1934, or such other Dominion regulatory act. There could then be in-



↑ THE PICTURES ↓

ON HUNDREDS OF MOTOR CARS on the highways of Ontario this summer appear signs announcing that the travelers have visited Old Fort Henry at Kingston. And these motorists have every reason to be proud of their visit, for with the magnificent program of restoration completed, this "Citadel of Upper Canada" is now one of the most interesting historic sites in the East. Completed just one hundred and three years ago the Fort, while lacking in stories of actual battle, presents a comprehensive picture of military life of a century ago. Magnificent masonry, guard rooms, magazines, officers' and troops' quarters and even kitchens have been carefully and accurately restored and the whole forms an historic museum of the first quality. The pictures show, TOP LEFT, the gallery which runs along the main casemate and RIGHT, the scene of the execution of Von Schultz after the failure of his attack on Canada in 1838. BELOW, a view of the interior of the barrack square showing the massive vaulted construction of the walls. From Fort Henry, John Montgomery and his fourteen companions succeeded in escaping after their capture at the "battle" of Montgomery's Tavern. An excellent brochure by Ronald L. Way, M.A., giving full details of the construction of the fort and its history is available to visitors.

—Photographs by "Jay".



cluded within such Dominion Act regulations affecting "transactions within a province," without bringing about its downfall, as happened to the 1934 Act.

Here again, however, we strike another snag, because concurrent powers mean that Dominion laws are supreme, and override any provincial laws that may conflict with them. To this the provinces would probably object, because to that extent they would cease to be completely the masters of their own internal commerce.

Leave Province Supreme

But such an obstacle may be easily overcome, simply by reversing the matter of Dominion supremacy of laws in this particular instance. By so doing, the provincial laws concerning "commerce within a province" would remain supreme and would override any Dominion laws or regulations that might conflict with them.

By this device we would be at last out of the woods and our problem fully solved. Possessing such concurrent powers, along with the provinces, over provincial internal commerce, Parliament would then have the constitutional right to include regulations referring to "commerce within a province" in any Dominion-wide marketing or other scheme. But this right of the Dominion would not cause the provinces to be any the less the masters of their own internal commerce. They could, therefore, have no reasonable objections to the Dominion being given so wholly harmless a power.

Thereupon Parliament could enact a new Marketing Act similar to that of 1934, which this time would harbor no internal dynamite by reason of the fact that it contained regulations concerning "transactions within a province." While no "enabling" provincial acts would be needed, it is obvious that provincial approval and co-operation would be essential. If Parliament were to pass any Marketing or other such Act over the heads of the provinces or against their wishes, these could speedily be made ineffective by contrary provincial acts.

What Canada Desires

The net result would be in brief that Parliament would be no longer helpless and hamstrung in attempting any kind of commerce regulation within Canada through want of constitutional powers, but on the other hand, could go no farther in any such

internal commerce regulation than the provinces would approve of and agree to. But is not this substantially the position of affairs at which we have already arrived, and the position now generally desired? Dominion-provincial co-operation already described, and leading briefs presented to the Royal Commission on this subject, would clearly so indicate. For while it is the general desire that the Dominion should not be capable of enacting Marketing or other such Acts, without the concurrence of the provinces, it is nevertheless also greatly desired that whenever such Dominion-provincial agreement has been arrived at, the Dominion shall then possess the constitutional power to put such schemes

into effect.

The advantages of such a solution of the commerce power tangle would, of course, extend beyond marketing Acts and include the entire field of commerce regulation within Canada. The regulation, for instance, of combines, monopolies, unfair trade practices and similar evils, some of which were brought to light in the "Mass Buying Investigation" of some five years ago, could receive more vigorous attention by the Dominion with the assistance of the provinces. The investigation just referred to occupied most of a year, but was prevented from yielding certain much desired remedies through want of Dominion commerce-regulating powers.

Canadians Grow Older

THE effects of a diminishing birth-rate upon the age distribution of the population, and hence upon its future birth capacity, are strikingly shown by the accompanying tables, which exhibit the proportions of the population belonging to the three classes Under Twenty, Twenty to Thirty-nine, and Forty and Over, at every census since Confederation.

It will be seen that the proportion of the population within the fertile age (which extends only slightly beyond forty) was higher in 1931 than in the first two censuses, but far below the point it reached in 1911, after the decade of rapid immigration; but the proportion in the Under Twenty group, out of which the fertile group must be replaced in future if we are to have no immigration, is tremendously diminished, and has diminished almost without a break since 1871; while the proportion in the Forty and Over group has risen steadily and is now 50 per cent. above what it was in 1871.

The interim census in the Prairie Provinces enables us to trace the movement, so far as these are concerned, down to 1936. The fertile-age group in these provinces, while far below 1921, has shown a slight recovery in the last five years, but that is because these provinces had a much heavier juvenile group than the Dominion at large in 1921 and thereabouts. In all of them the phenomenon of the steadily declining juvenile group and the steadily rising elderly group is much in evidence, and there is therefore no possibility of the fertile-age group continuing to maintain its ground. Manitoba has now one of the largest elderly groups in the country, risen from

224 in 1921 to 300 in 1936, while the juvenile has fallen from 457 to 390.

The figures show the numbers per thousand in each age group at each date.

DOMINION				
	1-19	20-39	40 up	
1871	526	283	191	
1881	492	289	219	
1891	466	300	234	
1901	445	303	252	
1911	424	331	245	
1921	435	305	260	
1931	416	298	286	
MANITOBA				
1921	457	319	224	
1926	456	293	251	
1931	423	300	277	
1936	390	310	300	
SASKATCHEWAN				
1921	481	323	196	
1926	482	293	225	
1931	464	289	247	
1936	437	294	269	
ALBERTA				
1921	448	333	219	
1926	449	301	250	
1931	428	306	266	
1936	408	308	284	

Hitler's Four Choices for Fall Move

BY AN AUSTRIAN

The author of this article is an Austrian refugee at present residing in Canada, whose name cannot be used on account of his relatives in the Third Reich. He has traveled extensively in many European countries, and has valuable sources of information in all of them—not excluding Germany. The article was written before last week's outbreak of Croatian unrest in Yugoslavia, which gives point to the author's contention about that country.

IT IS entirely safe to predict that Germany will make a move of some sort during the two months for which the British House of Commons has just adjourned. Current expectation makes Danzig the objective of that move, with Hungary as a possible alternative. But there is a third possibility which has not received much consideration. There is even a fourth.

Any decisive move to change the status of Danzig threatens to unchain the dogs of war. The same is true, though perhaps in a slightly lesser degree, of any attempt to pocket Hungary; though as this country is not covered by any Anti-Aggression Pact it is possible that the conflict might be limited to the two countries primarily involved. That it would be extremely unwise of the democracies to permit Hitler thus to move his front fighting line up to the borders of Roumania with her oil fields, and correspondingly closer to his newly-wooded and hoped-for ally Bulgaria, is obvious enough; but although the Hungarians would almost certainly fight, even if left without support, they would quite probably be overwhelmed before the democracies could overcome their indecision and come into action.

But if he suspects that a move against either Danzig or Hungary would precipitate a general conflict—and if he is unwilling to face that conflict—Hitler may decide on merely taking over Slovakia as completely as he has already taken over Bohemia. Nobody could prevent his doing so. Such an operation would be no threat to peace, and he could use it as a means of persuading his followers that he had achieved one more resounding success without the shedding of a drop of German blood.

Strengthening Italy

The fourth possibility is a move against Yugoslavia; but I personally feel that the time is not yet ripe for this development. Such a move however would entail very little risk for Germany, since Yugoslavia also is not protected by an Anti-Aggression Pact, and is torn by internal dissensions. The procedure would be to promise independence to the Croats, the Banat to Hungary, and Dalmatia to Italy. But while there would be no great reluctance about thus aggrandizing Hungary (she might indeed be similarly aggrandized in the event of a move against Slovakia, by being given a slice of that country), there would be a great disinclination in Germany towards making Italy any stronger than she is.

Hungary is relatively powerless in any event, and would be no safer from eventual German aggression with a piece of Slovakia and a piece of Yugoslavia in her grasp than she is now. The inhabitants of these territories are not Hungarian, and this could be used later on as an excuse for "liberating" them from Magyar tyranny; while the expense of administering these annexations would be a heavy drain on the weak Hungarian treasury.

But Italy is entirely a different matter. At present Italy is in the hands of Germany and is compelled to dance as Hitler fiddles. But a Germany burdened with the task of cleaning up the debris of Yugoslavia would be considerably weaker in relation to Italy, while Italy would be in many respects actually strengthened by the acquisition of Dalmatia, which is near at hand and accessible to the Italian fleet. Still more important is the fact that the cutting up of Yugoslavia would bring Italy and Hungary into close proximity with one another, and they might easily come to an understanding to break loose from the Axis by joint action at some appropriate moment. For these reasons I put the Yugoslav move well below the Hungary one as a possibility for the current season.

Promoting Bolshevism

The internal social and political condition of Hungary is even more favorable to Hitler than that of Yugoslavia, though its racial condition is less so. There is no minority problem in Hungary, which is of all the Succession States the most homogeneous as to nationality. There are only a few hundred thousand Germans in Hungary, far too few to lend color to any "liberate-our-oppressed-brethren" campaign. But on the other hand the greater part of the country is in the ownership of a few magnates, rich landowners, and the peasantry is very poor and has very little land. This almost mediaeval distribution of landed property once caused Hungary to fall a prey to Bolshevism, for the Communists promised the peasants a redistribution of the land. This Bolshevik régime was overthrown, for Russia was too far off and too preoccupied to support it and the neighboring countries watched its downfall with satisfaction. But Germany—which is just about as Bolshevik as Russia, in spite of Hitler's success in making other countries believe that he is making the world safe from Communism—is playing the Bolshevik game very cleverly and insidiously. Her agents in Hungary, knowing very well that the Minority Slogan is useless there, are playing up the Redistribution of Land, and the Hungarian propertied classes are far too much afraid of Germany to suppress this movement as ruthlessly as they did the Russian propaganda. They have tried to take the wind out of Germany's sails by starting a redistribution scheme of their own; but the Germans are always able to promise far more than the Hungarian Government. When Germany turns against Hungary it will do so, not to rescue other races from Magyar domination, but to rescue the Magyar peasant from slavery to his landlords. And the peasants are not at all likely to realize that such promises are not intended to be kept.

If Hitler believes that the argument of "bringing Germans back into Germany" is still sufficient to keep the democracies from entering the conflict, he will move on Danzig. On that argument he has an even better case than in either Austria or Czecho-Slovakia. There is not the slightest ground for disputing the claim that Danzig is really a hundred per



EXPERT ASSISTANCE

cent German city. On the other hand, Poland's existence depends absolutely on her ability to retain Danzig. It is her only outlet to the sea. Gdynia, the other Polish town on the Baltic, is under the guns of Danzig and cannot compare with it as a port. Besides, the return of Danzig inevitably means the return of the Corridor, and with the loss of that Gdynia herself would be cut off from Poland. Moreover, after getting Danzig the Germans would still claim their other two millions of Germans in Poland, and would be able to deal with a Polish Government which would have lost all the respect of the citizens, and which having surrendered once would be universally expected to surrender again. The Ukrainian minority would demand its freedom, and in the end Poland would suffer the fate of Czecho-Slovakia.

The Danzig question can be solved without war, and Germany herself has shown the way. In the South Tyrol there is a large German population, about the same in numbers as that of Danzig. Hitler has come to an agreement with Italy to repatriate the South Tyrolean Germans into Germany. On principle the cases are parallel; in practice of course they are far apart. Italy is an ally whom Hitler desires to bind yet closer to himself; Poland is a stranger and a possible enemy. To give up Danzig also means acceptance of a perpetual separation of Germany from East Prussia, one of the greatest grievances of Germany resulting from the Treaty of Versailles. Hitler will not accept a peaceful settlement of the Danzig

question, and if he is deterred from a forcible settlement he will merely postpone the subject and turn his attention to another quarter, in which he can hope for an easy victory.

To my mind a German success against either Danzig or Hungary would represent a real and severe blow to the cause of the Anti-Aggression countries, and should be resisted. A success against Slovakia would be meaningless, and one against Yugoslavia would be more beneficial to Italy than to Germany, and might cause the Axis more trouble than it was worth. But the Hitler régime must have successes or it cannot continue.

To permit Hitler to go on scoring genuinely important successes is simply to bolster up a régime which but for its easy victories over Austria and Czecho-Slovakia would have crashed some time ago. After the occupation of Austria, German workmen said to Austrians of their own class: "If you had only fought we should have had a chance to throw off this Nazi yoke." A prominent member of the German Economic Council told me at the time of the September crisis: "If there is no war, we are lost inside a year." The economic situation has not improved, the first enthusiasm over Hitler's external successes has waned, and the number of people opposed to Nazism has been augmented by six million Austrians and nine million Czechs. A firm stand against aggression is the only way to a peaceful Europe.

FROM WEEK TO WEEK

The Decline of Canada

BY B. K. SANDWELL

(See Tables on Opposite Page)

THE attitude of the great majority on the subject of immigration would be very different from what it is, if there had been any general attention drawn in this country to the population problems caused by a declining birthrate. It is almost universally believed by Canadians that the effects of a declining birthrate are offset by the effects of a declining deathrate; but this is complete delusion—they are offset only for the first few years, and after that they continue to become more and more visible in the total numbers of the population. It is far from impossible that, without immigration, Canada may in fifty years be a declining country. It is fairly certain that within that time the United States will be a declining country.

The business of maintaining the population by births pertains almost wholly to that part of it which at the given moment is between twenty and forty years of age. A Dominion Bureau of Statistics compilation states that of all the births in Canada in a recent year, nine-tenths of the mothers and three-quarters of the fathers were under 39 years of age. But a declining birthrate accompanied by a declining deathrate means that the number of persons between twenty and forty in every thousand of the population is diminished, along with the number of persons under twenty from whom the next generation of twenty-to-forties must be recruited; while the only class which increases is that of persons over forty, who make only a negligible contribution to the total of births.

Canadian statistics on this subject are extremely interesting and suggestive. They are available for the Dominion as a whole only up to the census of 1931; but fortunately we have also the Prairie Provinces census of 1936, which shows that the same process is going on in the present decade. The figures show that Canada in 1871 was a young country not only in the national sense but also in the age make-up of its population, and that it has progressively become less so in every decade with the exception of those which had recorded a heavy influx of immigrant population. Immigrants into a country in the pioneering stage are naturally younger on the average than the total population of either the sending or receiving country.

The Quebec Birthrate

It is also an entire delusion to suppose that the French-Canadian population of Quebec can be relied upon to maintain a self-sustaining birthrate for the whole of Canada even if the English-speaking population begins to decline. The birthrate for the Province of Quebec averaged 30.5 per thousand for the five years 1926-30; in the year 1935 it had fallen to 24.6, and had shown a steady decline in every year of the quinquennium. It is true that there was also a great improvement in the infant mortality rate in the same period, but it is impossible that this should offset so high a decline in births, and as a matter of fact in 1926-30 the number of children born and surviving to one year for each thousand of the population was 26.6, while in 1935 it was only 24.3. That the birthrate and the net infant survival rate should both continue to decline is practically inevitable, for the economic factors—the constant supply of fresh land for settle-

ment, and the growing supply of industrial employment—which co-operated with the religious and philosophical tendencies of the race from the earliest settlement up to 1920 have now been reversed, and are working in the opposite direction. This is not to suggest that the French-Canadian birthrate will fall to a level with the English-Canadian one; but it does mean that it cannot be relied upon to offset emigration and English-Canadian birth control as it has in the past.

In 1921 the rate of natural increase (excess of births over deaths) in Canada was 17.8; in 1935 it was down to 10.6. Any such decline is bound to be self-perpetuating, incapable of reversing itself except after a generation or two, because it is part the product and in part the cause of a diminution in the fraction of the population which is of fertile age. A decline in the fertile-age population can only be offset as regards the birthrate by an increase in individual fertility; and this, in the present economic and social condition of Canada, and under a democratic constitution, is practically inconceivable. It might be brought about by a radical change in the economic structure, making the possession of children again an economic asset as it was in the nineteenth century instead of a liability, or by an equally radical change in the political structure, enabling the government to apply considerable pressure to individuals, as in Italy and Germany. But a decline in the fertile-age population plus a decline in individual fertility means a terrific acceleration in the decline of the birthrate.

Need for Refugees

In an era of general international clamor for "lebensraum" it is folly to suppose that Canada can maintain herself as the mistress of half a continent with vast natural resources of many kinds, with a population not much greater than that of a great city. There is practically no prospect of much further immigration from the British Isles, where the forces which we have been describing have been at work much longer and gone much further than in the Dominion, and where the rate of natural increase for England and Wales was down to 3.0 per thousand in 1934. In these conditions it does not take much of a study of the long-distance future of Canada to show the abject folly of the mid-depression policy of repatriating to Great Britain great numbers of able British subjects whose only deficiency was that, like great numbers of Canadians, they could not get employment, and the equally abject folly of refusing now to admit population of excellent industrial quality, thoroughly sound democratic principles, and exceptional qualities of character and independence, from among those who are being thrown out of the totalitarian states. This opportunity will not last long and will not recur. The refugees will either die or settle in some more hospitable country. They are available, if we will take them now, to make up the deficiency in our own twenty-to-forty-year population. Left to ourselves, even if we were at once and completely to reverse our social tendencies, we should not be able to begin making up that deficiency for at least twenty-three years, and we should not make any real impression on it for forty. But we shall not speedily reverse our tendencies; we shall continue them, with what results the future must tell.

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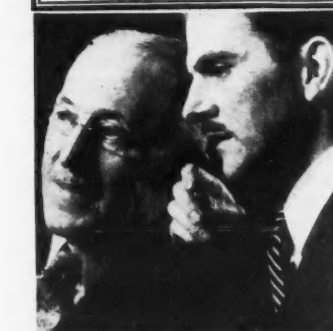
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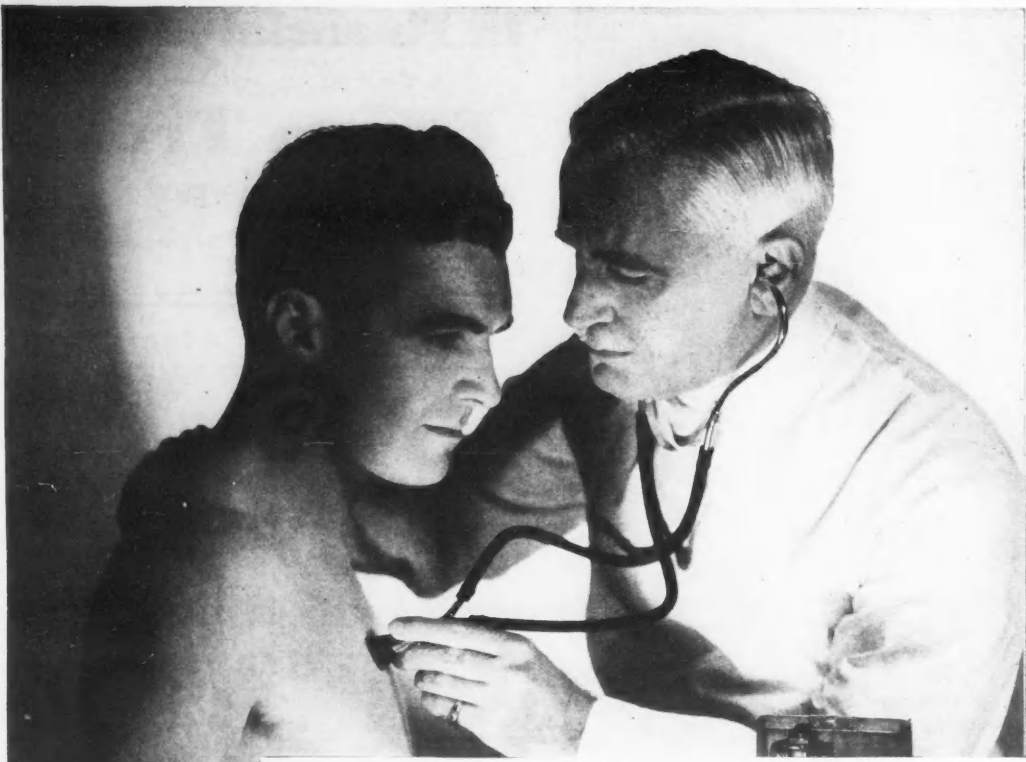
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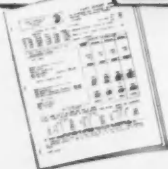
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THE WEEK IN CANADA

Renewed:

In Toronto, the friendship between His Eminence ENRICO CARDINAL GASPARRI, president of the Supreme Tribunal of Cardinals in the Roman Catholic Church, and CAPTAIN JAMES FLANAGAN, Toronto financier. Twenty years ago His Eminence was apostolic delegate to Bogota and Flanagan was employed in the heat-baked oil fields of Colombia. The two became friends. Two years ago Captain Flanagan visited Cardinal Gasparri in Rome and last week the Cardinal was returning the visit. Stocky, with bushy grey hair and a flashing smile, His Eminence spoke French, Italian and Spanish fluently, but no English. His stock answer to political questions: "I am here on a holiday. I have talked enough of my country at home. I want to talk of your country". On Canada: "I have not seen much of Canada I know, but from all I have seen it is a lovely country—beautiful. You have wonderful farm lands too". Asked if Canada might not some day have two Cardinals if the country continued to grow in economic and ecclesiastical importance, His Eminence replied: "The number of Cardinals depends on the will of the Church and of His Holiness. There is no other factor that determines the number of representatives from any given country". More than all else, Cardinal Gasparri was looking forward to seeing Niagara Falls.



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Squelched:

By SIR EDWARD BEATTY, the rumor that he will resign the presidency of the Canadian Pacific Railway to become president of the Bank of Montreal. Said he: "It has been suggested in some sections of the press that I have become persona non grata with both political parties because of the offer of the Canadian Pacific to assist the Canadian government to a solution of the railway problem, and because of some supposed impression among public men that the C.P.R. and myself are not willing to make co-operative economies. The silly canard to this effect was so thoroughly exploded by the Senate committee that it is not necessary to deny it now, and the President of the Canadian Pacific Railway is not selected because of partisan political considerations". One more broadside: "Equally unsupported is the suggestion about the Hon. Charles Dunning. Much as we respect and admire him, his name has never been considered in connection with the vacancy in the presidency of the Bank of Montreal nor as principal of McGill University". More philosophically: "I suppose we may expect many silly rumors during the hot weather and in a pre-election atmosphere".

Stopping Off:

SIR ALLAN POWELL, C.B.E., chairman of the board of governors of the British Broadcasting Corporation, to visit relatives in Montreal. Interviewed on board the Cunarder *Ausonia*, Sir Allan declared that he was in Canada purely for a holiday. Steered around to the subject of television, he surmised that in the near future there was a strong possibility that there would be a network carrying television to a great number of homes in the United Kingdom. Said the genial, quiet-spoken chairman: "We are favorably placed for the construction of a complete television service. We have not had to face competition in any form, so that we have been able to pool our best brains in developing the science and the art." At present programs are restricted to an area of between 50 and 70 miles in the neighborhood of London, but plans are already under way to establish a centre for television in Birmingham which will be hooked up with the London studio. From there, said Sir Allan, it should be possible to extend the sight and sound network throughout England and Scotland.

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Carried Off:

By HENRY MARTELL of Edmonton, Alta., the Ontario Open Golf Championship. Finalist in the Canadian amateur championship at Mount Bruno, Que., two weeks ago, Martell traversed the tricky Burlington, Ont., course last week in a par-breaking 36-hole total of 141 to become the first amateur to win the championship in the 16 years that the tournament has been played. Said Martell as he stepped forward to receive the honors: "I'm all in a daze. I don't know what happened. Just kept on hitting the ball and I'm still somewhat bewildered by it all. I guess I'm just the luckiest and the happiest boy in Canada right now". Known as the jobless golfer when he competed in the Canadian Amateur, Martell, who was a country school teacher in 1933, has been guaranteed a position when he returns home. In the meantime, he's going to stick around. His next stop is the Canadian Open at St. John, N.B.



CARTOON OF THE WEEK: As it becomes more and more apparent that Japan has her hands full and then some in China, Ivan Glassco in the Hamilton Spectator chants: "What a funny bird is the pelican. Its beak can hold more than its belican."

Foreseen:

By MORRIS E. HEISER, English aircraft inventor, who was in Vancouver, B.C., last week, an invisible airplane with a silent engine, capable of stalking an enemy plane unseen. In Canada to scout potential sites for a manufacturing plant, Heiser claimed that he could manufacture an airplane of transparent plastic which would be invisible at a distance, and that if experiments are successful, he will be able to equip the invisible plane with a silent motor. Said he: "Such a plane would have deadly potentialities in warfare. It would be possible to follow enemy craft practically unseen. Look at this!" He produced a small square of transparent plastic, strong and flexible, and explained that this material, when multiplied in thickness, would form the body of his invisible plane. His parting shot: "The final result all depends on the tests that we are making with a silent engine".

Returned:

R. J. JELLETT, chairman of the Canadian Chamber of Commerce, from Europe, where he attended the sessions of the International Chambers of Commerce in Denmark at which delegates from Germany, Italy and Japan were present as well as those of the democratic countries. His observations on conditions in Europe: "There was a feeling of strain in the air. The people feel that war is coming. There was talk of it coming after the harvest, but that may not mean anything. We heard the same before we left Canada." On Canadian news services: "As a matter of fact, I think Canadians are just as well, if not better, informed on the European situation as anybody in Europe." In England Mr. Jellett offered the services of the Canadian Chamber of Commerce to the British Government as an aid in procuring war supplies for Britain. Discussing the proposal, Mr. Jellett preferred not to disclose the name of the British minister to whom it had been made, confining his remarks to: "I told him that the Canadian Manufacturers' Association could be relied upon to organize the production of ordnance and other heavy war supplies, but that our organization could supply the natural products of the country and some of the smaller manufactured articles." As a result, he thought that British war orders for uniforms and supplies other than guns may come to Canadian factories in "educational" quantities.

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Irked:

ROBERT YOUNG, 91, of Ottawa, Ont., because the Ontario Department of Highways will not let him drive his automobile any more. Said the brawny one-time blacksmith: "They think I'm too old to drive. Why, I'm just as good a driver as I ever was". For the past 24 years he has driven



W. A. MACKINTOSH, of Queen's University, who will be one of the lecturers taking part in the eighth annual session of the Canadian Institute on Economics and Politics which is to be held at Lake Couchiching from August 14 to 26.

—Photo by Ashley and Crippen.

a car without an accident, but a few weeks ago he failed to pass a driver's test which is given persons over 65 years of age, and last week he received word that a permit would be refused. And Robert Young is fussed about the whole thing, for it hampers him a bit. He likes to get around without depending on relatives or friends.

Predicted:

By AIR MARSHAL W. A. BISHOP, V.C., at Vancouver, B.C., that in the event of a new war "Canada will be in because she cannot keep out of it. She will be battling, not for the defence of the United Kingdom, nor in the general interests of the Empire, but for her own survival". Speaking under the auspices of the Service Clubs' Council, the Air Marshal declared that the "surest guarantee of world peace is a show of overwhelming force" and that the greatest contribution that Canada can make is the development of her air force. On defence: "I say today that for the future it is no longer a question of politics, it is no longer a question of race against race. It is now a question of the preservation of the most precious thing that has been given this country by the two races that govern it—freedom". Of the Royal Canadian Air Force: "Wonderful results have been accomplished and new equipment is being received almost daily. If called upon the new Royal Canadian Air Force will outdo the magnificent record established in the last war".



Embarrassed:

GERALD CORBIERE and LEONARD LONG, both 20 and both of St. Catharines, Ont. The two young men went for a quiet swim in their birthday suits in the old 12-Mile Creek. Since neither is a very strong swimmer, when the log on which they were playing broke loose and started to float downstream, they were afraid to strike out for shore. As tight as the log's own bark they clung while it floated under Burgoyne Bridge where heavy afternoon traffic snarled hopelessly as both motorists and pedestrians caught sight of the impromptu nudists. Past Ridley College they whirled to the Welland Vale industrial section where a gate in the canal finally slowed the current. To the rescue came Traffic Officer W. Watson who spotted the pair and called Fire Chief William Chestney to the rescue. After a cautious look around the officers fished the lads to shore and wrapped them in blankets. They were then driven back to the spot where they had left their clothes.

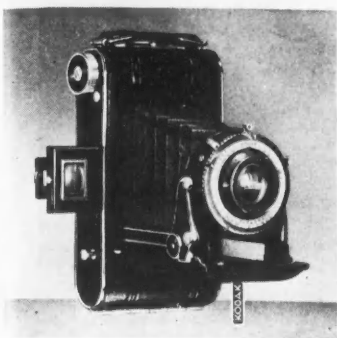
En Route:

ROBERT J. FLAHERTY from England to Washington, D.C., where he will aid in making a documentary film of American farm life for the United States government. Last week he stepped off the *Empress of Australia* at Quebec for a breather before continuing his journey by train. Born at Iron Mountain, Michigan, and educated at the Michigan College of Mines, Flaherty spent several years in exploration work on the West Coast of Vancouver Isle and northern Canada, and headed a fur expedition for Sir William Mackenzie through the Hudson Bay, Northern Ungava and Baffin's Land. In 1920-1921 a sub-Arctic expedition produced material for "Nanook of the North". A few years later he was in the Samoan Isles making "Moana". He collaborated with Maude Adams in developing a new color photography process and worked in this medium for several years. For Paramount he co-directed "Tabu" and was responsible for making "Man of Aran". In 1935 he took a unit to Mysore, India, for the film "Elephant Boy" and was responsible for taking the Indian boy Sabu to England. But Robert J. Flaherty is inclined to pine for the good old days. Discussing his first big picture, "Nanook of the North" the veteran director sighed: "But that was in the good old days—we didn't have to lug sound equipment around with us then".

Home Again:

In Montreal, DR. LAWRENCE TOMBS, member of the Spanish refugee commission of the League of Nations. Said he of the outlook of the Spaniards who have been driven into France by the Franco regime: "The ultimate fate of 250,000 Spanish refugees still in France remains unknown. I think it possible that France will incorporate many thousands into her industrial and agricultural life". Dr. Tombs had spent some time in France and stated that he was "greatly impressed" with the attitude of the French in the present tense European situation. Said he: "They remain calm and seem to have adopted a devil-may-care outlook".

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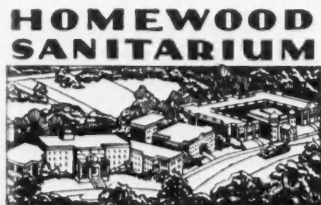
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Why Not Build a Balkan Front?

BY WILLSON WOODSIDE

Sofia, Bulgaria.

IF YOU want to see a prize exhibition of human stupidity, come to Bulgaria. The question of whether she will go over openly to the Axis agitates every chancellery and embassy between here and the North Sea. Everyone admits that she holds the key to the Balkan situation. If her adherence to the Balkan Entente could be secured a solid bloc opposed to German and Italian (or any other) intrigue or expansion in South-Eastern Europe would be formed. And this eminently desirable result could be had, as the Minister of a large Western democracy expressed it to me, "for a twenty-mile strip of territory". More exactly, for two twenty-mile strips of territory.

One of these strips is the South Dobrudja, running from the Danube to the Black Sea. Inhabited by Bulgarians and Turks, the Roumanians seized it in 1913 after the Second Balkan War, in which they joined with Greece and Serbia to despoil their former and most doughty confederate in the struggle against the Turk. Roumania with her broad grain lands would hardly miss the few hundred square miles of Dobrudja which would mean so much to poor, mountainous Bulgaria. She would be rid of a troublesome minority, have a friend at her back instead of an enemy, and could turn her undivided attention to holding Transylvania against the demands of Hungary.

Revision is Feared

The Roumanians, however, can't see it this way. I went down to the Dobrudja when I was in Roumania and talking it over afterwards at dinner with one of the most influential Roumanian publicists and former key diplomat, mentioned the sad example of Teschen, where failure to make a timely compromise with the Poles cost the Czechs so dear. He said the lesson hadn't been entirely lost on them, and that they had recently made a tentative approach to the Turks to mediate the question. But the Bulgarians had immediately demanded "too much", they had felt that they couldn't really trust them, hesitated to hand them over territory which they might only use to grab more, feared to open the whole question of the revision of their frontiers, and so had let the matter drop.

Bulgaria's other claim is for an outlet to the Aegean. Even the victorious Balkan triumvirate were wise enough not to take this from her in the grand trimming-down of 1913, and thus create a dangerous irritant. It remained for the treaty-makers of 1919 to do that. And so, for a few miles of Thracian coast which Venizelos himself warned the Greeks would only be a burden on their back, Greece foregoes the security in face of the Italian menace from Albania which settlement of the Bulgarian question would give her. And Britain open-handedly guarantees Greece and Roumania without insisting on these small concessions to Bulgaria in return, and expends for a dubious agreement in Moscow ten times the diplomatic effort which would be required to build a solid Balkan front.

Enough of Germans

For this front could be built. This is all the Bulgarians want. Other than over the Dobrudja they don't hate the Roumanians. They are willing to let the Macedonian question, which long stood between them and Yugoslavia, lie dormant. And there is no yearning here for any adventurous campaign alongside Germany and Italy. The Bulgarians took the brunt of three wars between 1912 and 1918, and had enough then to last them for a while yet. Besides they haven't quite such fond memories of what the Berlin press calls their last "comradeship in arms" with Germany. The Germans acted then as if in conquered territory, requisitioning trainloads of food from hungry Bulgaria and carting it away to Germany. A member of Parliament here told me that after the occupation of Bohemia and Moravia last March, country constituents, thinking that these were villages ten or twenty miles from Sofia, wrote him that they were going to sell their sheep and buy rifles; they had had enough of these Germans the last time.

Then there are incidents with the German tourists who flood the country, such as this one which happened in Sofia a couple of days ago. In a crowded sausage shop a German woman grumbled about the service and remarked that what this country needed was a little German organization. Woman and all, she was taken firmly by the Bulgarian customers and deposited on the sidewalk outside.

Border Efficiency

And indeed this was slander as well as insult, for Bulgarian organization is admirable. To fully appreciate it you have only to come from the confusion and corruption of a nearby neighbor. I can sum up the difference without exaggeration by two simple frontier experiences. Arriving at the first frontier, the customs official neglected to mark my camera in my passport, the currency official at-

tempted to sequester a big Hungarian coin worth over a dollar as a tip, and in the lack of any legal facility for changing foreign money to buy a railway ticket, another official offered to do so illegally, at half the rate. At the Bulgarian frontier a representative of the National Bank came through the train, recorded my currency quickly and accurately, and changed an American Express cheque for me on the spot at the exact rate I could get in Sofia. Later he found he had short-changed me by 7c and came back to give it to me.

From that beginning Bulgaria has made the strongest impression on me. Here is a poor people making the best, by honest effort, out of what they have. I think it is significant that that finest expression of self-help and most democratic institution, the co-operative, flourishes here. It is widespread among the peasantry, and in the cities groups build apartment-houses co-operatively as in Sweden. The fine new hotel in which I am staying is a co-operative venture of the association of retired civil servants, as its forerunner was before it.

These Are Fighters

There are libraries in the villages, and often a small community theatre in which traveling troupes play. There is one of the richest children's literatures in Europe, all famous Bulgarian writers seeming to have found time to do a story or two for the children. There are four theatres in Sofia—which I find far the handsomest and most characteristic of the Balkan capitals—and two symphony orchestras. Illiteracy, almost total under the Turks, is receding so fast that among the new recruits to the army it reaches only 0.3 per cent. And this army! How solid and soldierly it

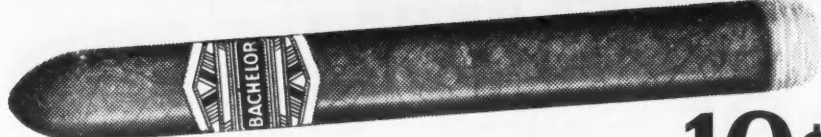
looks, and what fine discipline. But then the Bulgarians are noted as the best fighters in the Balkans and even the doughty Serbs once paid them the compliment of getting the help of the Greeks and Roumanians against them.

Fighters, yes; but this visit has convinced me that they are in no sense spoiling for a fight and are especially wary about being used as a pawn by the Great Powers. The Premier and Foreign Minister, M. Kiusewanoff, impresses me as an earnest, peace-loving man, and goes about Sofia with a democratic lack of show. I am in a position to affirm to SATURDAY NIGHT readers that far from welcoming his recent trip to Germany as a chance to cultivate an alliance, he feared that he would be dealt with as were Schuschnigg and Hacha and was mightily relieved to get out without any agreement. He is convinced that Germany would lose a war.

Much is Possible Today

His policy, which is really King Boris's, is to work closely with Yugoslavia in an attempt to bolster each other's neutrality. Never was feeling between the two South Slav countries warmer. The two countries are trying to anticipate the difficulties which they will meet and the exact demands which the Reich might make on them. Strange as it may seem, Germany is at present encouraging Yugoslav-Bulgarian neutrality sentiment and collaboration. I am informed by an indisputable source that so far she has

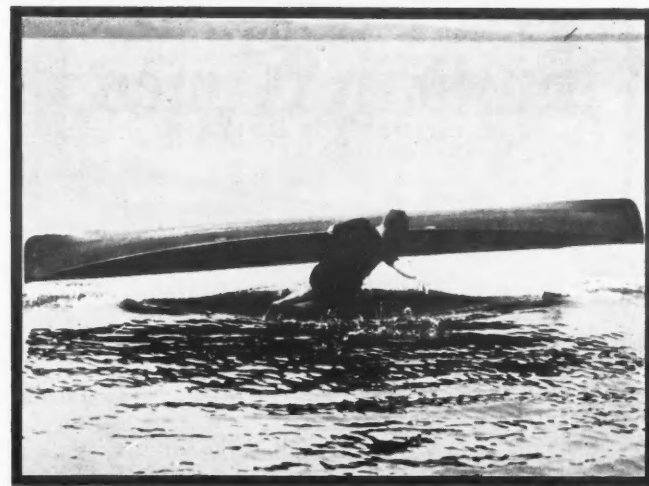
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given only the most meagre support to Bulgaria's claims against Roumania, having by no means yet given up the latter as a much richer prize. The German calculation seems to be that by alternatively being nice to the Roumanians and holding over them the threat of supporting Bulgarian and Hungarian claims against them, they can be brought to docilely deliver their cereals and oil.

Meanwhile Bulgarian officialdom is holding a damper on public feeling over the Dobrudja and wondering why Britain and France don't give them the modicum of diplomatic and economic support which would secure their independence from Germany and give them hope of a peaceful settlement of their just and modest claims. Today much is still possible here; tomorrow it may be too late.



FLIPPING A CANOE. A remarkable action shot of this aquatic stunt which requires good nerves and perfect poise. Note the almost complete impression of the canoe in the water. At the conclusion, if successfully achieved, the canoe remains upright with no water in it.

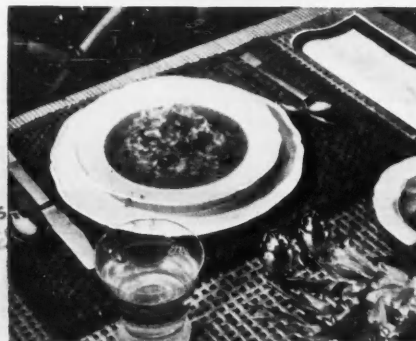
—Photo by R. L. Forti, Victoria, B.C.

Summer Time Tables



Auspicious start for a summer meal would be this delectable pea soup—smooth as cream itself and tasting of June gardens. Tender peas, fresh table butter and delicate seasonings are lightly blended. Top off, if you will, with a crisp salad and fruit. But to awaken summer appetites, head your menu with—

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Campbell's CHICKEN GUMBO



Center of attraction on this summertime table—bright plates of Campbell's Tomato Soup. Its sprightly flavor comes straight from tomatoes, bright red, plump and firm. Clever ladies have discovered that, plain or as a cream of tomato, here is a soup to assure the success of any lunch or dinner. So, naturally, they serve it often.

Campbell's TOMATO SOUP



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LONDON LETTER

To Hoard Or Not To Hoard

BY P.O'D.

London, July 24.

ONE of the numerous problems puzzling the average British householder with regard to what he ought to do—and also ought not to do—as a preparation for a state of emergency, is whether he should store a certain amount of food and other domestic supplies, or whether to do so would make him that selfish and odious person, a "hoarder."

Back in January, Sir Auckland Geddes, who was then adviser to the Minister for Civil Defence, made in a speech the recommendation that the public should lay in emergency supplies. Immediately an outcry was raised against the suggestion as a piece of "panicking," and as an incitement to hoarding—with a depletion of general stocks, a rise in prices, and all sorts of attendant evils.

Questions were asked in the House about it, and finally, after some rather acrimonious criticism from Opposition Members, Oliver Stanley, the President of the Board of Trade, said that he "saw no objection to the accumulation in peace-time by householders of small reserves of suitable foodstuffs, equivalent to about a week's normal requirements."

This seemed to settle the question on a quite reasonable basis. After all, a week's supply is not much—certainly not enough to upset markets and raise prices, even if it should be stored away by every one of the country's 12,000,000 families. Not that there is the slightest chance of them all being able or willing to do it!

In May, however, Mr. W. S. Morrison said in the House of Commons that it would not be right for the Government to sponsor such a movement, because it would tend to raise the price of food to the poorer members of the community.

Later he came back again to the idea of a week's supply, but the attitude of the Government to the whole question has remained, if not discouraging, at least evasive. They seem to think that it would be a good

thing for every household to lay in emergency supplies—especially as it would take some few days for any system of food-control, however well-prepared, to get into operation. But they seem also to be afraid of starting a campaign of hoarding, which would obviously lead to waste and profiteering and other unfortunate results.

There the matter rests for the present, with some families hoarding—many of them on a basis much larger than a week's supply—and others regarding the whole business as selfish and unpatriotic. Not a very satisfactory position! So unsatisfactory, in fact, that questions are again to be asked about it in the House, and an effort made to get the problem finally settled one way or the other.

What seems to be needed is that the Government should give a definite lead in the matter—say whether or not they want people to lay in emergency supplies, just what, just how much, and also how the stuff should be stored so that it will not deteriorate. They are getting out pamphlets by the million on the other problems of national defence—why not on this one? It seems just as important that people should have something to eat during Armageddon, as that they should know what to do if the bombs start dropping.

Sad Experiment

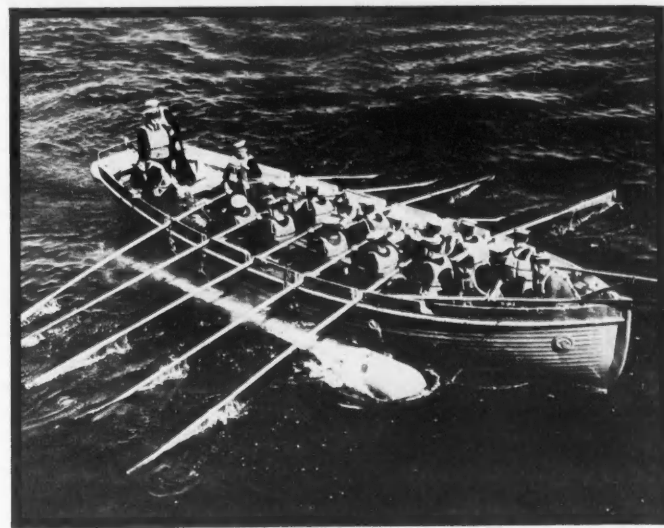
Cynics presumably feel a certain arid satisfaction when poor human nature fails to stand the test—when it shows itself for the greedy, stupid, and lazy thing it very often is. But it would have to be a very cynical person who could feel anything but profound regret at the failure of the Eastern Valley subsistence scheme down in Wales. It was so admirably conceived, and so much hard and unselfish work was put into it! So much money, too!

The reader may remember—but probably doesn't—an account I gave of it in one of these Letters some two years or more ago. At that time the scheme seemed full of promise. Farms were bought in Monmouthshire, and stocked with cattle, buildings, and all the necessary equipment for co-operative working.

The idea was to put on the land unemployed men from the Welsh industries, who were to remain "available for employment," but who in the meantime were to eke out the "dole" by the food they raised for themselves and for sale. It was all to be on a communal basis, with each receiving according to his needs, and each contributing according to his powers—the shepherd looking after the sheep, the baker baking, the carpenter and the blacksmith each working at his trade.

Money was needed, of course, quite a lot of money. And the money was found—a good deal of it from private philanthropy, and more than £100,000 from the Government. But naturally it was intended and expected that the plan, once it had been got under way, would pay for itself, that the community would be self-supporting.

Now the whole thing has fallen through. Various reasons are given for its failure. Difficulties and costs of operation have proven much greater than was originally expected. Promoters of such schemes are apt to be unduly optimistic. But the chief mistake the promoters seem to



A DEADLY "TIN FISH" is retrieved by a boat's crew after torpedo practice by H.M.S. Repulse during exercises off Portland. The picture gives some idea of the size of this war missile.

have made was in expecting too much of human nature.

The people it was intended to benefit were reluctant and suspicious, selfish and frequently dishonest—not all of them, but enough to make the scheme unworkable. They were out to get and not to give. They didn't trust one another, and they certainly didn't trust the people who were running the business. As *The Times*, in its majestic way, puts it, "the principle of mutualism was not a natural growth, and did not easily take root."

It is easy enough to be too hard in one's judgment on these poor devils of Welsh out-of-works. The lives they have led are not of the sort to make them high-minded and unselfish and eager to help one another—even if by so doing they are really helping themselves. None the less, it is a very sad and discouraging affair. And it might have been such a success—if only human nature wasn't so infernally human!

Municipal Musician

No one would claim for Sir Dan Godfrey, who died last week, that he was one of the great British conductors—no one, that is, who knew anything about music. But it is likely that his name was far better known than that of many more gifted and more distinguished musicians. It is even likely that he did more for music in this country than any but two or three of them.

One reason, of course, why Sir Dan Godfrey's name was so familiar, was that he came of a family of bandmasters famous for about a century. His grandfather Charles Godfrey, was bandmaster of the Coldstream Guards. And no less than three sons became bandmasters in the Household Brigade. Sir Dan was the son of the eldest of these—Dan, like himself, and bandmaster for many years of the Grenadier Guards. And Sir Dan himself had a son Dan, a very promising young musician, who went to South Africa to be musical director at Durban, and died there four years ago.

With bands in the blood in this fashion, it was impossible that Dan Godfrey could escape a musical career. He was sent to the Royal College of Music in 1884 at the age of sixteen. But he managed to make one break with the family tradition. He didn't enter the Army. Instead he founded the first municipal orchestra in England, and went on directing it until his retirement in 1934—a period of service surpassed in length only by Sir Henry Wood's.

It was in 1893 that young Godfrey went to Bournemouth to provide a little music for holiday-makers at that popular resort. The municipal

authorities may not have intended anything more than a temporary summer engagement, but he had other ideas. He saw an opportunity for a permanent orchestra, and managed to persuade the civic fathers that it would be a good thing—not only artistically, but as a matter of business.

After his first season he was appointed resident musical director. And two years later "Dan Godfrey's Band" became the Bournemouth Municipal Orchestra, the first of its kind in England and probably the most successful, though it afterwards had imitators all over the country. By the time he retired he had conducted over 2,000 symphony concerts. It must be nearly a record.

I know very little about music, and nothing whatever about running a municipal orchestra. But I have a suspicion that it is exceedingly hard work, and that it must call, not only for a high degree of musical skill and adaptability, but for qualities of tact and patience and quiet pertinacity that few men, and especially few artists, possess. Think of having to meet the musical tastes and wishes of a whole board of aldermen! Think also of having to refuse to meet them—and hold your job!

Sir Dan managed to do it, and did it so successfully that his Bournemouth concerts became famous—not

GOLD TREE

A BEECH in gold
Gathers the light—
A still flame,
A poised flight.

Its gold showers—
A sun's descent—
Frost-coined,
Wind-spent.

MARY QUAYLE INNIS.

only with popular audiences, but with musical people as well. His greatest contribution, however, to British music was the encouragement he gave to native composers. He did more for them than probably any other British conductor. Many a budding composer might never have had a chance—or waited years for it—if it hadn't been for Sir Dan's kindly willingness to try almost anything once, or even several times, if it had any merit at all.

That is why in 1911 the British musical profession gave a dinner in his honor. And also why in 1922 he was knighted. He was not a great conductor, perhaps, but he was a sound and good one. And he established for himself a quite unique place in the esteem and affections of the musicians and musical public of this country.

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BRITAIN PRESERVES HER DOMAIN. A picture taken from above Birling Gap looking towards Michel Dean and Went Hill in Sussex, England. The National Trust, the government agency set up for such a purpose, are negotiating for the purchase of 160 acres here, and the scheme has been made possible by the trustees of the W. A. Robertson bequest. The land adjoins the Trust's Crowlink property and is part of the well-known Seven Sisters Cliffs. In the distance is Seaford Head.

Safety for
the Investor

SATURDAY NIGHT, TORONTO, CANADA, AUGUST 12, 1939

P. M. Richards,
Financial Editor

Is Payment of the War Debts Possible?

BY ALLAN WATSON

The thought is brought out in this article that gold is, to the United States, what it was to King Midas. Possessed of \$16 billions of it, mostly buried in Kentucky, many Americans believe that their European debtors should "pay up"—but the only way left open to them to pay up is by shipping gold.

And Mr. Watson asks—What good would more gold, buried in Kentucky, do the United States? Would it produce more income for Americans or lower their taxes?

IN LAST week's SATURDAY NIGHT I developed, very sketchily, the history of the inter-Ally debts, in particular the debts owing to the United States (the only debts which it is still assumed could, or should, be paid), and in still greater particular, the British debt to the United States.

It was shown in last week's article that Britain borrowed \$4,277,000,000 in the United States to pay for American munitions purchases, that she has paid \$2,204,000,000, (the payment being completely forgotten now), and that she still, by a grotesque operation of the theory of compound interest, owes \$5,341,000,000.

The popular American approach to this situation is simply—"they borrowed the money, didn't they, so why don't they pay it back?" And the average American is so ill-informed by the popular press that he believes that little, if anything, has been paid on the debts (except by Finland) and that it is just a plain case of welching.

Misrepresentation

A popular American weekly magazine had a leading editorial on the subject in its issue of July 15. A piece in which the statement was made: "the fact is that the governments themselves, Britain and France notably, very easily find the dollars for what they want to buy here... They have found dollars by the hundreds of millions to buy war stores, munitions and bombing planes, but not one to pay an account of their old War debts." (I repeat, at this point, that Britain found over two billions of dollars to pay on her old War debts, and I ask if the popular weekly is not grossly misrepresenting the case by making this statement.)

The article, while it paid lip service to the difference between private funds and public funds, assumed the conclusion that there is no real difference between them. "If their nations could find the dollars there, so could the governments have found them if they had wanted to."

How can Britain find dollars? The writer of the article admits that she can only find them with gold.

Quoting again: "Now how may a foreign country buy dollars? In either one of two ways. It may buy them with goods or it may buy them with gold. In order to buy them with goods, it must be able to sell its goods in the American market. But we raise a tariff wall against foreign goods. So that way is out. And, as for gold, how can we expect them to pay us with gold when we have already two-thirds of the world's monetary gold buried in a hole? Conclusion: Our European War debtors cannot get the dollars to pay us with; therefore they cannot pay us at all, and it is our fault, not theirs."

Sense or Nonsense?

And the writer in the popular weekly goes on to state, in effect, that this is all nonsense. Why? Because over a billion dollars of earmarked gold has been sent to the United States for safe-keeping, and if this huge transfer can be made, why cannot similar huge transfers be made to apply on War debts account?

On the theory of Bill Jones owing Tom Smith ten dollars, the argument is tenable. But eleven billion dollars—the present "funded" total?

A reliable American financial writer, Mr. George T. Hughes, in a recent syndicated column, said this: "Although the international political situation is the main influence at work, our surplus of exports over imports plays a part. If we insist on selling more than we buy, we have to take gold to make up the difference. There is no other way. Our imports have dropped off largely because of the business depression. Trade revival at home would correct that situation but would not reverse the current of yellow metal seeking safety from the hazards of war. The strain upon the British exchange equalization fund in its successful effort to support sterling is revealed in the figures for the combined gold holdings of the fund and the Bank of England as of the end of March. They show the loss of one-third of the British gold reserve in the year to that date."

As a matter of fact, while I applaud the inferences which Mr. Hughes draws, I doubt the accuracy of his figures. The Federal Reserve Bulletin of the United States shows that at

the end of March (and the figures were unchanged at the end of May) the combined gold holdings of the British government, the Bank of England, and the Exchange of Stabilization Fund, were \$2,714 millions, as compared with \$2,620 millions in March 1938. If these figures are correct it seems to be quite true that Britain could, if she "wanted to," transfer enough gold to Washington to cut her debt approximately in half. By a similar action, France could repay four-fifths of her debt and, in fact, all the debtor nations could make substantial reductions.

Would U.S. Benefit?

Suppose they did that? How would the United States benefit?

Here, again, we must study the analogy with Bill Jones owing Tom Smith ten dollars. If Bill pays the ten dollars, Tom can go out and buy a new hat with it. But if John Bull pays Uncle Sam \$2,690 millions in gold, and the other debtor countries follow suit, what could Uncle Sam buy with it? The answer is—nothing.

All that Uncle Sam could do with it would be to bury it, thus raising the country's total of buried gold from \$16,000 million to \$18,700 millions, (assuming, for simplicity's sake, only a British payment). To assume some benefit to the United States from that operation, one must assume that she is somewhat embarrassed by having only \$16,000 millions in gold. That she would be better off with \$18,700 millions.

It would be wasting time for me to enlarge on the absurdity of such an argument.

The United States, to put it quite bluntly, is the modern King Midas. Not deliberately, but by force of circumstances and tariff walls. And the United States is finding its gold just as unpalatable as Midas found his. The point is—gold produces no income. No interest. If England took over three or four billions of the American national debt, and paid the private holders of that debt interest on it just as she now pays interest on her 3½% War Stock, then the United States government would enjoy an easement—though not very much of an easement, for what is four billions to Washington?

Impracticable

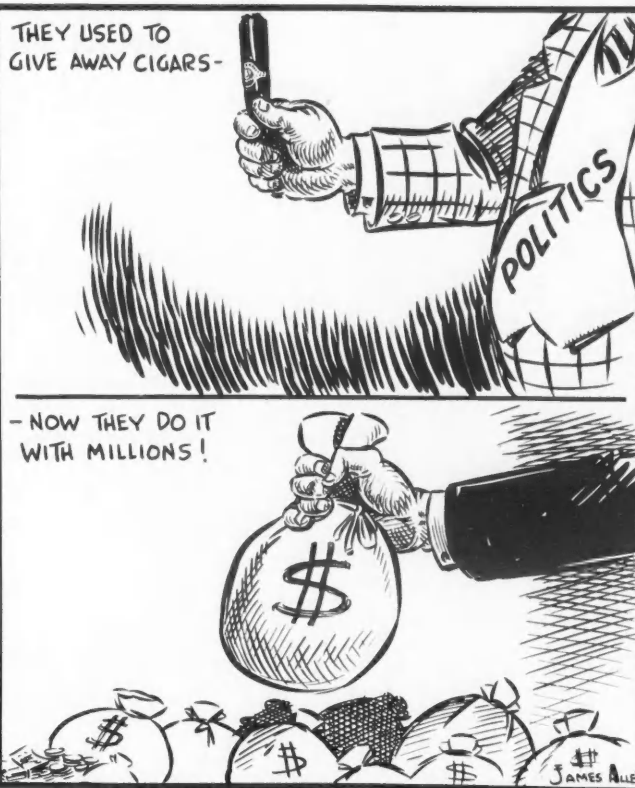
But such a method of payment is wildly impracticable. Because, for one reason, unless the American bondholders would take their interest in sterling, England would be back at the same old problem—how to get dollars into the United States without paying for them in gold.

If the United States would take payment in goods... Ah! but that is where the famous tariff walls come in. You cannot take payment in goods if you insist on selling more goods than you buy.

The physical transfer of the balance of the gold held by Great Britain and the other defaulting nations, to the United States, would therefore do the United States not one atom of good. Rich American manufacturers, suffering their way around the world on de-luxe cruise liners out of the proceeds of their tariff-protected sales, argue in the smoke rooms that the "money" should be paid back, and they do not see that gold, buried at Fort Knox, is no longer money. In their abysmal ignorance of economics they probably figure that their taxes would be lowered if England, France et al paid up. They see it as simply Bill Jones being "done" by Tom Smith and, to them, they personally—swallowing another cocktail—are Bill Jones.

It is all very sad, but leaving that for the moment, let us consider what would happen to England and the Continental countries if such a "payment" were made.

In considering this, it is necessary to realize that gold is still the standard of value and the medium of exchange between most of the countries of the world, even if it has no longer a fixed value, and even if its use is now restricted, generally speaking, to inter-governmental settlements rather than to private ones. Completely to denude England, for example, of gold would therefore break the thread which is precariously holding the currencies of the world's democracies together. And, in doing that, what would happen to England's credit, to her purchasing power?



EXPENSIVE ELECTIONEERING

One of the most absurd parts of the popular article already quoted from—so absurd that an apology for again quoting would be fitting were it not for the fact that of such stuff, read by millions of half-educated people, is national opinion formed—is the part touching on this matter: "If they had remembered to apply some of their dollars on account of their War debts, they could now be buying their bombing planes on credit, for we should be trusting them again, and that would be altogether better business for them."

World Unsettlement

In further refutation of this quaint notion it need only be pointed out that Britain's gold is the basis of the British Exchange Equalization Fund, and that the breakdown of that Fund alone would cause such a world unsettlement that "better business," either for the United Kingdom or the United States, would be an impossibility.

Deplorable as is the American at-

titude towards the War Debts, and in particular to the British debt, and it is an attitude for which parochial politicians and irresponsible journalists are largely responsible, the fact remains that the average decent American is justified in his disgust at the whole sorry mess.

He believes, quite simply, that he has been tricked. He had no quarrel with anyone or any nation. He wanted no war, no territorial expansion. All he wanted was to be let alone to work out his private prosperity without governmental interference or wars.

And then somebody shoots an Archduke he has never heard of, in a town he has never heard of, and the next thing he knows is that he is helping to pay the most expensive army the world has ever seen to put a stop to the nonsense. And for the rest of his life he is faced with ever-increasing income taxes.

In an attempt to understand the average American's attitude towards the War debts, it must be remembered

(Continued on Page 9)

Investment Problems in Life Insurance

BY H. M. JACKSON

Life insurance companies in the Dominion are today confronted with the problem of investing the immense funds entrusted to their keeping by thousands of policyholders, in a period of generally low interest rates and in a time when good opportunities for investment are greatly restricted.

This article attempts to show the problems faced by the investment officials of the life companies, the characteristics of the period and also the avenues for investment at the present time by the factors of security of funds and favorable yield.

WHEN the life insurance companies receive low interest rates on their investments as they have for several years, the policyholders, who number about 3,500,000 Canadians, receive a lower return on the money they have put into life insurance policies. That makes the problem the concern of every policyholder.

Since the policyholder bought his policy to continue a portion of his earned income to his wife and family after his death, or to keep them going long enough to enable them to stand on their own feet, any loss in returns on the policy must be offset somehow. As the amount of income represented by any capital sum depends on the interest rate which can be earned on that amount, then a low interest rate means a low income obtainable from a certain capital.

The policyholder must, therefore, provide more capital payable at death to meet the needs of his dependents, or to meet his own needs when his earning power ceases.

Policyholder's Problem

That is the problem now faced by every policyholder. What are the investment officers of the life companies doing to meet it?

At the close of December, 1938, the total net life insurance in force in Canada was \$6,630,000,000, an increase of 1.4 per cent. over the same amount in force at the close of the previous year, and representing the highest total of life insurance in force ever reached in the Dominion.

All these funds must be invested in as favorable a manner as possible if the contracts of the companies with their policyholders are to be met in all particulars, and naturally enough in a period of financial stringency the

greatest problem facing life insurance companies is that of investing their funds so as to meet these contractual obligations. Interest rates everywhere in the world have fallen sharply and this manifestation is further complicated by an accompanying decline in the number and extent of good securities available for investment.

Permanent Contracts

If it were possible for life insurance companies to write short-term contracts of one, two or three years only, and adjust their rates at the close of such periods, their difficulties would not be particularly onerous. But life insurance companies do not issue this type of contract. Their contracts are non-cancellable and their provisions must be carried out by the company issuing them as long as the policyholder continues to pay his premiums.

The life insurance policy issued by the companies means that the latter contract to insure the lives of the policyholders for their entire lives at a fixed annual premium. The latter is more than enough to cover the cost of mortality in the first years of the life of the policy, as later on when the policyholder is older, his payments will not be enough to do so.

Those sums paid in the early years of the policy, which are more than enough to cover the mortality cost, are accumulated with interest to make provision for the greater mortality of the later years of the policy. They are known as the "reserve." In establishing the premium rate, therefore, it is calculated that the rate of interest on this amount will be earned as an average rate during the whole period of the policy, which may run for a long period of years.

The Interest Decline

Before the depression made the operation of the life insurance companies in Canada and everywhere else more difficult, the average rate of interest earned by the life companies in the Dominion was about 6 per cent., but this rate has dropped since that time to an average of considerably less than 5 per cent.

This decline was not very apparent in the early stages of the depression since the companies had large volumes of funds well diversified and yielding relatively high rates of interest, so several years expired before new investments at lesser rates of interest began to have their effect on the rate obtained on the total life company portfolios.

If, for example, a company had a hundred million dollars of assets which gave a net return averaging 5 per cent., new investments of five million dollars in any one year would only bring the average rate on the whole amount down by a small fraction.

Over the years, however, such factors as the default in interest payments by mortgagors and by certain municipalities and commercial institutions accelerated the decline in interest rates. The fact that this decline was not nation-wide but world-wide in extent had a particular bearing on Canadian life insurance companies, because these institutions are truly international in their scope.

Two or three of our own Dominion life companies operate all over the world. A large percentage of the remainder are operating at least in the United States as well as Canada and some are transacting business also in the British West Indies, and in Central and South American countries.

Exchange Troubles

A great deal of the liabilities of these companies is payable in currencies of the countries involved, and with a decline in rates of interest these companies tried to find investments payable in currencies similar to their liabilities, not only because they wished to get around the question of a fluctuating exchange but to try to secure higher interest rates. Because the decline in the rate of return was found to be world-wide they were not very successful in their search.

The experience with a declining interest rate of the past few years has

(Continued on Page 9)

THE BUSINESS FRONT

Failure of Price Control

BY P. M. RICHARDS

SINCE the very beginning of its recovery program, the U.S. government has persistently sought to raise prices, particularly farm prices. It has employed financial measures designed to raise prices in general and control devices intended to raise prices of individual commodities. In both fields it has been unsuccessful. Statistics show that neither the general commodity price level or the relative level of farm prices has made any appreciable gain in the last five years.

In view of the persistence of popular belief in the effectiveness of monetary manipulation to raise and maintain prices, it is of interest to note that after several years of experimentation with banking and monetary devices under the broad powers conferred upon it by Congress, the board of governors of the Federal Reserve System recently published a statement setting forth its conclusions. Its first conclusion is that "prices cannot be controlled by changes in the amount and cost of money."

The second is that control of the amount of money by central banking authorities "is not complete and cannot be made complete."

The board accordingly opposes any legislation based on the assumption that the Federal Reserve System or any other agency of government "can control the volume of money and credit and thereby raise the price level to a prescribed point and maintain it there."

Price Relationship

EVEN more important in their bearing on the relation of prices to recovery are the other two conclusions reached by the board, namely "that a steady average of prices does not necessarily result in lasting prosperity" and that "a steady level of average prices is not nearly as important to the people as a fair relationship between the prices of the commodities which they produce and those which they must buy."

In this last statement, the board strikes at the root of the price problem. To a business concern, the vital question is the relation between selling prices and costs; and the selling prices of one concern are the costs of another. It is not the general price level, but the relations among individual prices, that are really important from the standpoint of recovery and prosperity. These views were supported by the evidence of Graham Towers, Governor of the Bank of Canada, before the Banking and Commerce Committee at Ottawa.

It is unquestionably true that in both Canada

and the United States efforts to promote business expansion have been handicapped by overmuch attention to the establishment and maintenance of price levels. Measures designed to raise prices to predetermined points by artificial means have interfered with the natural readjustments by which markets might have been restored and the volume of activity increased.

Fortunately, however, this fact is beginning to be recognized. Lately we have seen attention being called to the need for lower prices in certain fields as a stimulant to demand. But arbitrary price reductions in some directions are no more feasible than arbitrary price advances in others.

When costs have been raised and "frozen" at certain levels, by legislation or otherwise, it is useless to expect that the selling prices dependent on those costs can be reduced or that markets for the finished products can be restored.

Better No Manipulation

FEW unbiased students of this subject will be disposed to quarrel with the conclusion reached by the Guaranty Trust Company of New York in a recent review that both the general price level and the statistical position of farm products, to say nothing of domestic and foreign trade as a whole, might well be more satisfactory today if attempts at price manipulation had been avoided entirely and attention given to the single problem of providing a favorable environment for normal business recovery.

Higher commodity prices were admittedly desirable, since these prices at their depression levels were out of balance with the debts and other fixed charges of individuals and business concerns. Similarly, farm prices in recent years were unquestionably far too low in relation to other prices. But the effort to correct these maladjustments by price manipulation have failed to produce the hoped-for business recovery and have played a large part in causing the various complications and difficulties that have led to such awkward and uneconomic expedients as barter.

Thus far, the results of attempts to raise farm prices, as well as other prices, suggest that the cart of purchasing power is being put before the horse of recovery. And the evidence is that future policy, instead of aiming at an impossible price control, would be more effective if directed toward the removal of artificial obstacles to recovery.



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By Order of the Board

JACKSON DODDS G. W. SPINNEY
General Manager General Manager
Montreal, 15th July, 1939

SATURDAY NIGHT

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Established A.D. 1887

BERNARD K. SANDWELL, Editor
N. McHARDY, Advertising Manager

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Vol. 54, No. 41 Whole No. 2421

Mining continues to show good progress in the Prairie Provinces and in British Columbia. Developments of importance include expansion of existing plants and establishment of new ones; power line construction and new properties for survey and development.

Every shoe has its price, says a Canadian advertisement. For which, of course, it is sold.

GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

DOM. TEXTILE

Editor, Gold & Dross:
Please tell me what you think of Dominion Textile as a buy. What is the dividend outlook and how do things look for the company this year?

—H. A. A., Halifax, N.S.

While the prospects for Dominion Textile in the current year cannot, as yet, be fully determined, I think that the company's strong trade position assures it of full participation in any business revival and this, plus the fact that the yield is attractive, lends the stock above-average speculative appeal.

In the year ended March 31, 1933, earnings fell to \$3.28 per common share from the \$4.84 shown in the 1938 fiscal period, due largely to an 18 per cent decline in sales volume and narrowed profit margins. The financial position at the year's end was strong, with current assets amounting to \$9,370,192, against current liabilities of \$874,703. The former included cash of \$114,390 and marketable securities of \$3,037,335. The regular \$5-per-share dividend was paid in 1938-1939, and it seems likely that liberal disbursements will be continued.

NORANDA

Editor, Gold & Dross:
I have been advised to get rid of my Noranda stock on the grounds that the company has failed to find ore on the lower levels. Would you kindly give me any information as to this and your advice.

—C. K. T., Toronto, Ont.

In recent drilling from the lowest level at Noranda Mines, a depth of 3,975 feet, one intersection has already indicated the possibilities of a new and important ore body about 400 feet below horizon. A 45-foot length between 440 and 485 feet averaged over \$12 in gold to the ton and the section of ore between 635 and 800 feet averaged about \$7.60 gold per ton. This is the only hole yet drilled below the bottom level in which this type and grade of ore has been found and as there is no evidence as to extent and shape of the orebody, further drilling will be necessary to secure a true picture.



CLIFTON W. SHERMAN, president and general manager, Dominion Foundries and Steel, Limited, who was recently appointed to the Defence Purchasing Board by Prime Minister Mackenzie King.

—Photo by "Who's Who in Canada".

ther drilling will be necessary to secure a true picture.

Sinking of a new internal shaft to go to an ultimate depth of 6,000 feet was recently commenced. The main purpose of the shaft, No. 6, which will extend from the 2,975-foot level, is to carry exploration to greater depth and more particularly in the large new body of mixed massive pyrite and rhyolite breccia. Diamond drilling to the 3,975-foot level indicated the existence of low grade gold values in the new body and it is hoped that deeper work will find concentrations of gold and copper values. The new body

extends from 1,500 feet to an unknown depth and while on the 2,975-foot level it was below commercial grade indications were that some fair-sized shoots of ore might be developed in it at some lower horizon.

It was not expected that if the new orebody acts similar to the "H" and Lower "H" bodies, ore values would be found in its upper portion but it is believed there will be a good possibility of proving material of ore grade as work goes to depth. On the 3,975-foot level, where values appeared, the body is approximately 250 feet wide and 2,000 feet long. With indicated reserves insuring about 15 years' ore supply, the favorable results being obtained by subsidiary companies, along with the possibilities of present exploration at depth the prospects for Noranda appear excellent.

ABITIBI

Editor, Gold & Dross:

I would greatly appreciate any information you can give me as to how Abitibi is doing this year and how it compares with last year. Also I would like to know if anything has been done about selling the assets of the company to the bondholders or what chances there are of this.

—C. O. L., Truro, N.S.

For the month of June, Abitibi's earnings dropped to \$199,330, before provision for depreciation and bond interest, from \$237,830 in April, 1939, and \$331,067 in June, 1938. Results for June bring earnings for the first half of the year down 7.7 per cent to \$1,050,859, as compared with \$1,138,210 in the first half of 1938. Depreciation charges for the period total \$392,500, so that earnings leave \$158,359 available for bond interest.

Nothing has been done toward a court sale of the assets of Abitibi Power & Paper Company. I think that such a step is unlikely before the Fall if it is taken at all; for one thing, the courts are closed for the summer; and the Bondholders' Protective Committee has expressed willingness to discuss a plan for the reorganization of the company with representatives of the junior equity holders as an alternative to foreclosing on the mortgage. The Bondholders' Protective Committee claims that it has the backing of over 50 per cent. of the bonds, with several large blocks committed for deposit at such time as definite steps for court sale are announced. Several such informal meetings have already taken place with no decision being reached. Each committee is asking for the very most that it can expect to achieve. Eventually, I think, some compromise will be reached.

ELDORADO

Editor, Gold & Dross:

I would be pleased to have your ideas on Eldorado.

—H. E., Montreal, Que.

Eldorado Gold Mines, with plant expansion at both the mine and refinery completed, is in an excellent position to take advantage of any increase in business and I regard the outlook for the company as quite promising. Costs have been reduced to a minimum and the desire of the directors is to liquidate all indebtedness as speedily as possible, build up a cash surplus and commence payment of dividends. Realization of these hopes is possible next year provided normal conditions prevail. It was stated at the annual meeting that many institutions the world over wanted radium but did not have the necessary funds to purchase, and it is apparent a potential market exists for large quantities of the element.

There seems little likelihood of any further capital expenditures for some time and the Port Hope refinery which now has a maximum capacity of producing 300,000 of the finished product per month is not likely to attain this rate during 1939. The mine is producing about \$215,000 monthly and the refinery performance is said to be just about balancing mine output. Since completion of the expansion program operations at the refinery which previously necessitated 24 hours can be done in nine hours.

Minewise developments are said to be very favorable and recently the No. 1 vein, to date the main source of production, has been opened on the 1,000-foot level with ore comparable to any so far uncovered. At the year end ore reserves were valued at \$8,886,385, a gain of \$2,939,900 from the close of 1937.

MARGARET RED LAKE

Editor, Gold & Dross:

I would appreciate some information about Margaret Red Lake. Is there any activity at this property at present?

—J. C. P., Fort William, Ont.

A new company is being formed by McKenzie Red Lake Gold Mines to acquire five claims from Margaret Red Lake, and a claim and a fraction from Richmac Gold. Capitalization of the new company will be 3,000,000 shares of which 537,500 will go to Margaret Red Lake for its claims, also buildings and equipment on them. McKenzie has underwritten 300,000 shares at 10 cents and has options on an additional 1,300,000 shares at prices ranging from 15 to 50 cents.

The combined acreage adjoins McKenzie on the north-east and a shaft has already been sunk below 150 feet where a level will be cut and cross-cutting commenced to test two ore

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shoots indicated by surface work and diamond drilling. Margaret still retains large claim holdings in the area and further work is proposed if the necessary financing arrangements can be made.

Vancouver Stock Exchange

THE 1939 edition of the Manual of the Vancouver Stock Exchange as usual contains much useful information regarding mines, oils and industrial. The booklet, which is revised to June, details principally development and earnings results of companies engaged in the development of the mineral and oil resources of the western provinces.

The booklet also lists the transfer offices for mines and oil companies, members of the exchange, scale of commission rates and high, low and closing prices from May 1, 1938 to May 31, 1939.

In a foreword it is pointed out that by July 1939 there were 73 wells producing crude oil in Turner Valley, seven more under test and 17 drilling. Dividends paid by Alberta oil producing companies in the first half of 1939 exceeded \$1,000,000. In addition royalty payments aggregated a very substantial sum.

There was an increase of \$335,484 in dividends paid by British Columbia mines in the first half of 1939, as compared with the first half of 1938. Total British Columbia mine production for the half year was 7.1 per cent, less than in the first half of 1938, as increases in gold, copper and coal output were not sufficient to offset declines in lead, zinc and silver.

NATIONAL BREWERIES

Editor, Gold & Dross:

I ask for advice so often that I must be a nuisance but I find your opinions so sound that I've come to depend on you. This time I want to know what you think of National Breweries. Do you think it is a good buy for income and is the \$2 dividend likely to be kept up?

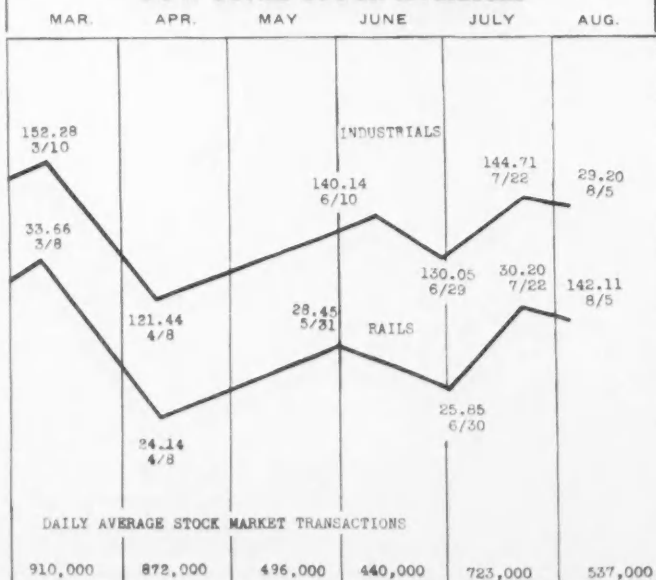
—P. D. M., Saskatoon, Sask.

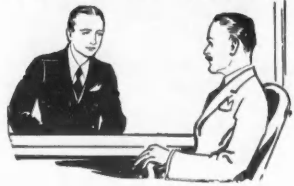
I think that the common stock of National Breweries, which is selling at 40¢ to afford a yield of 4.9 per cent has appeal for income. Appreciation prospects are limited, but the \$2 dividend rate seems secure.

Because beer sales in Canada during 1939 should respond favorably to the improvement in consumer income and since rising labor costs will be offset by lower grain prices, earnings during the current fiscal year should show a modest gain over the \$2.24 per share of 1938. The imposition of new sales taxes on the company's products in the Province of Quebec has affected sales adversely, but reduced operating costs are offsetting this to some extent. The

(Continued on Next Page)

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GOLD & DROSS

(Continued from Page 8)

company has absorbed the additional tax on draft beer but has passed the tax on bottled goods on to the consumer.

National Breweries operates the Dow, Dawes and Frontenac breweries in Montreal and the Boswell brewery in Quebec. About 70 per cent of the company's sales are made in Quebec where the competition is negligible and consumption is stable. Other outlets are Ontario and the Maritimes which absorb about 15 per cent of output each. Competition in the latter provinces is very keen. The dividend rate was \$1.60 per share from 1931 to 1936 when it was raised to \$2. Payments have been very liberal, averaging 85 per cent of earnings since 1930, but the payment was covered in each year.

AMERICAN CYANAMID

Editor, Gold & Dross:

Recently I acquired some American Cyanamid stock through the settlement of an estate and would appreciate anything you can tell me about this company. Particularly I would like to have the earnings record of the past few years and any information as to how the company is doing this year. —J. D. K., Regina, Sask.

American Cyanamid and its subsidiaries are engaged in the production and sale of chemicals covering prac-

tically the entire field of mining, industry and agriculture. In recent years, I believe, the company's principal source of income has shifted from the fertilizer materials to the chemical lines, which include—in the order of their importance—dye-stuffs, pharmaceuticals, mining, chemicals, heavy chemicals and intermediates. The company's main plant is at Niagara Falls, Ont., with others situated in the states of New Jersey, Michigan, Connecticut, Arkansas, Georgia and Florida.

American Cyanamid's net rose rapidly from a low of \$349,725 in 1932 to \$5,268,255 in 1937. Net in the year ended December 31, 1938, was \$2,452,912, against 1937 returns as shown above; \$4,454,931 in 1936; \$4,062,160 in 1935; and \$2,495,644 in 1934. The balance sheet position at the end of the last fiscal year was very robust with current assets of \$33,653,471 and current liabilities of \$5,513,595. The former item included cash of \$10,846,043 and marketable securities of \$99,823. Sizeable expenditures on plant expansion over a period of years have militated against liberal dividends, but this policy, in the long run, should react to the benefit of shareholders. A new 2,500,000-share 5 per cent cumulative \$10 par issue was created in October, 1937, and the authorized common share capitalization was increased to

3,620,000 shares.

In the 6 months of the current fiscal year ended June 30, 1939, American Cyanamid reported a net profit equal to 80 cents per share, as compared with a net profit of 19 cents per share in the same period of 1938.

M & O PAPER

Editor, Gold & Dross:

I hold some Minnesota & Ontario Paper Company Stock and was interested in your comments on the reorganization in the last issue of Saturday Night (August 5). What I would like is some information on how the company is getting along and since you have helped me often in the past I wonder if you would do me this favor if you have any such information.

—P. A. H., Montreal, P.Q.

In the first half of 1939, operating results for Minnesota & Ontario Paper showed a modest improvement in comparison with the same period of 1938. Without considering the subsidiary company—National Pole & Treating Company—net sales for the half year were \$6,970,622, against \$5,642,672 for the 1938 period and \$7,507,081 for the first 6 months of 1937. Net profit before depreciation, depletion and interest was \$244,682, as compared with a net loss of \$53,488 in 1938. After allowance for accrued depreciation of \$391,653; depletion of \$391,653; interest of \$1,404,636; and with extraordinary charges of \$59,034 against no similar item in the previous year, net loss for the half-year was \$1,218,987, which compares with a net loss of \$1,369,766 for the 1938 period.

The liquid position of the company improved. Cash was up from \$1,048,761 at December 31, 1938, to \$1,827,920 at June 30, 1939, while net working capital rose from \$5,913,067 to \$6,435,417—a net gain of \$522,350. Current assets at June 30 amounted to \$7,437,801 and current liabilities to \$1,002,384. Included in the former item were inventories of \$3,584,578.

Insurance's Investment Riddle

(Continued from Page 7)

not been particularly new, as in the late 1850's there was a gradual decline to a low rate of interest, a rate considerably lower than that obtained at present; a gradual increase hastened by the vicissitudes of the war years which reached its peak at about 1920 and finally the decline again of the last decade.

Again it must be pointed out that the decline in interest rates has been accompanied by a decided drying up of opportunities for new investments.

There have, for example, been very few new issues of industrial corporations in the last nine or ten years. Mortgage investments have also shrunk, since the values of property have decreased and also because legislators have seen fit to restrict the

rights of mortgagees. There has also been an accompanying decline in the demand for policy loans. All this has resulted in a large increase in investments and bonds, particularly in government bonds.

Diversification

All these tendencies have made it increasingly clear that diversification in investments is of paramount importance and that no one company should permit too large a portion of its funds to be placed even in those securities which at the time seemed to be giving the most favorable returns. Furthermore, an examination of the terms of any portfolio of insurance would show the importance of this factor. Studies of the market

quotations of various types of government bonds in recent years show that over a period the prices of long, medium and short term bonds of equal security have fluctuated by about the same number of points in accordance with the general trend of the bond market.

Some observers have come to the conclusion that it is not the best policy to buy the longer term bonds with the highest yield, but rather to discriminate between long and short term bonds, and try to buy the former when yields are high and the latter when they are low.

Not only is this a good principle to follow generally but for life insurance companies there are a number of reasons why it is peculiarly applicable to that institution.

Take the Long View

Life insurance companies must take a long term view of all their undertakings, and past experience, as already pointed out, makes it clear that the prevailing rates of interest will again gradually rise to higher levels. Furthermore, the companies must take cognizance of the possibility of another period of demands for cash—surrender and loan values like that obtaining six and seven years ago.

It is suggested that it may be possible to surmount this difficulty by abstaining from investment in large blocks of bonds at low rates. It may be that the best period for investment now should be from 10 to 15 years and not more than 20 years.

The problem at the present time seems to be that the investment policy of the companies may be influenced by the avenues the companies find available rather than by what even their experience has told them is correct and desirable. The companies, therefore, should from time to time make a complete review of their entire portfolios. It is suggested that they might begin by curtailing marginal investments. Investments where the long term prospects are not easy to define and are somewhat weak financially but where an improvement in market quotations might take place with an increase in the level of business might be held over.

Investments with a good financial outlook but with which the long term outlook seems somewhat uncertain because of inherent weakness may be dealt with at the present time. The idea would be to find what securities should be sold or reduced in total while it is possible to take advantage of current price levels.

Great Care Necessary

The two fundamental factors to which reference has already been made in life insurance contracts; those of interest and mortality, call for very careful handling of insurance since the contracts are of long term and an incorrect judgment of either factor may entail considerable difficulty. Under the long term contracts generally made with borrowers by these institutions in times like the present, they are unable at any future date to modify the rate.

Even should there be a change in the market rate, any attempt to replace one investment by another to secure advantage of an increased rate will be prevented by changes in the security price level brought about by the alteration in interest rates. It is necessary, therefore, that when companies take money now they must be ready to invest these funds for long future periods at prevailing rates.

The question of bringing about any amelioration in an investment problem already undertaken must thus be uppermost when the companies take money from new policyholders for investment at that time. Since the contracts with these policyholders are based on fixed rates of interest, these contracts should be arranged so that those at present being undertaken may be carried through at the

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WE DISCUSS THIS WEEK

National Steel Car

ONE of the leading builders of railway freight and passenger cars in Canada, National Steel Car Corporation, Limited, was founded in 1919. Its main plant at Hamilton, Ont., has an annual capacity of 12,000—14,000 freight cars. In addition, drop forgings, steel pressings, and parts sold to the railroads for repairs and to other assembling plants are produced. Production has been diversified to include motor car chassis and equipment for mining, logging and industrial plants.

In 1937, the company entered the field of aircraft manufacture, and acquired the rights to manufacture the Westland-Lysander army plane under a royalty contract. At Malton, Ontario, in 1938, a \$600,000 airplane plant was built, and during 1939 an additional \$640,000 will be expended through the one-sixth owned Canadian Associated Aircraft, Ltd., which was formed in 1938 to fill British government orders. The manufacture of shells has also been undertaken in recent years, several large British orders have been secured and the facilities for such production have been enlarged.

Earnings Irregular

The earnings of National Steel Car have always been irregular. In 1929 earnings were equal to \$2.78 per share; in 1930 to \$8.83; and in 1931 to \$2.62 per share. Thereafter, weighed down by depressed economic conditions and an almost total lack of railroad buying, earnings sank rapidly. In 1931, 7 cents per share was earned; and in 1933, 1934 and 1935, respectively, deficits of \$2.89, \$2.15 and \$1.95 were shown. In 1936, 9 cents per share was earned. In 1937, reflecting lower depreciation—the result of an Income Tax Department ruling—earnings rose to \$1.24 per share. A large carry-over of railway business and subsequent railway and miscellaneous orders in 1938 sent earnings for the fiscal period ended June 30 soaring to an all-time high of \$9.27 per share. Earnings for the year ended June 30, 1939, are estimated at between \$5 and \$6 per share.

Despite attempts to diversify its output, the major source of National Car's earnings is still railroad orders. Since railway buying is influenced strongly by business conditions, earnings are cyclical, and fluctuate widely, as we demonstrated above. With the exception of a slump in 1937, little buying has been done by Canadian railroads since 1929. Obsolescence and retirements have built up a large market which will be supplied when traffic and earnings trends

are favorable, so that over the long term the outlook for this division of the company's operations is promising.

Probabilities are, however, that orders will be placed gradually over a period of years rather than in large bulk in a short space of time as has been the custom in the past. The company's armament business should afford a considerable fillip to earnings.

The bumper profits reaped in 1938 permitted the company to repay bank loans. The balance sheet as of June 30, 1938, showed current assets of \$2,786,798 against total current liabilities of \$354,095. The former amount included cash and marketable securities amounting to \$315,258 and call loans and accrued interest at \$801,316. Profit and loss surplus was \$1,805,815. Early in 1939, an additional 45,500 capital shares were issued as the result of the exercise of rights issued to stockholders for the purchase of 3½ shares for each 10 shares held at a price of \$35 per share. The \$1,592,500 realized from the sale of the stock was to reimburse the company in part for the money spent on the expansion of facilities.

The company has always pursued a conservative dividend policy: in 1929, 60 cents per share was paid; in 1930, 1931 and 1932, respectively, \$2 per share; in 1934, 1935, 1936 and 1937, nothing; and in 1938, \$1.50 per share. In the 1939 fiscal year, disbursements of \$2 per share were made on a quarterly basis.

Dividend Covered

In the fiscal year which ended June 30, railway business was poor. Consequently, despite the fact that other lines improved, earnings will be well below the \$9.27 per share shown in 1938. Heavy development costs, particularly in the aircraft division will tend to depress earnings, too. However, indications are that the current \$2-per-share dividend will be covered satisfactorily and maintenance of this rate seems likely.

Because the company has improved its position considerably in non-railroad endeavors and is in line for a sizable chunk of airplane and shell business eventually; and because recent heavy plant expenditures should make for better profit margins in the older established divisions, the stock has better-than-average possibilities as a speculation over the long term. It is quoted currently at 51¼ to yield 3.9 per cent. In 1938, it recorded a high of 72 and a low of 31; in 1937, a high of 57¼ and a low of 17; and in 1936, a high of 59¼ and a low of 13.



THE CITY THAT SLEEPS WITH OPEN EYES. Taken from the Rockefeller Center Observation Roof as dusk settled over Brooklyn and the east side of Manhattan, this study gives the impression of a city that can't sleep for the glare of its own lights. At the extreme left is the Chrysler Tower; at the extreme right, the Empire State Building.

War Debt Payments

(Continued from Page 7)

that one thing is obvious—whether or not the United States won the war there can be no question on this point—she did not start it.

Was Dragged In

Another, and more cynical, way of stating the case is that the American believes he was dragged into the ring on the promise of payment when the bout was over, and the promoters reneged on their promise.

But, this article being primarily concerned with the British War debt, let us examine this position in relation to England's entry into the War. Wasn't England dragged in, too? Was England, any more than the United States—or Canada—responsible for starting the War? Unquestionably, no. Sneerers may laugh at the notion that Britain fought to preserve Belgium's independence. They may jibe that she fought to save herself and to down German competition. But this could be said of the United States, too.

So it seems somewhat strange that there is such a complete lack of appreciation, in the United States, of the part played by Britain in the great catastrophe. That lack of appreciation, applied to the War Debts, made the words of Philip Snowden, Chancellor of the Exchequer in 1925, fall on barren ground when he said:

"These sums were borrowed by Great Britain either from her own citizens, through the medium of war loans, or from the United States. If it had not been necessary for Great Britain to lend to her European al-

lies to keep them going there would have been no need for us to borrow from America. The American debt was incurred by Great Britain to lend to France and Italy."

This statement, of course, is incontrovertible. Two figures prove it. At the end of the War England was owed \$4,675 millions by France and Italy alone, while she owed the United States \$4,277 millions. In effect, she endorsed France's and Italy's note and negotiated it in the United States.

So it must be clear to the impartial observer that whatever the American may think of the "morality" of the War Debts—whether they were just a business transaction or whether they were, as France believes, a quick entry of American cash to make up for a very delayed entry of American troops—he should realize that morally, Great Britain is not a defaulter.

But whether she is or not, is not now the point. The point which I have tried to bring out in these articles is that the War debts—or rather, in England's case, one should say the balance of the war debts—cannot be paid, under present world conditions, and in particular under the tariff conditions insisted upon by the United States, except by gold. And that such a form of payment would ruin what is left of orderly world trade, to the lasting hardship of the United States as well as the debtor countries.

It is a pity that the men who provide the great American public with the material for its thinking on these subjects do not provide themselves with a fairer, and more intelligent, approach.

CONCERNING INSURANCE

To Ensure Collection of a Fire Claim

BY GEORGE GILBERT

HOLDERS of insurance policies, as a rule, do not concern themselves very much about the wording of their contracts until they have a claim to collect under them. But it undoubtedly would be to their advantage if they took the trouble beforehand to become acquainted with the terms and conditions of their policies, and with the requirements to be complied with in the event of a loss.

For example, when a loss occurs under a contract of fire insurance, any person who is entitled to make a claim under the policy must forthwith give notice in writing of the loss to the insurance company, and must deliver as soon thereafter as practicable a particular account of the loss, furnishing therewith a statutory declaration.

This statutory declaration must declare: (1) That the account is just and true; (2) Where and how the loss occurred, and, if caused by fire, how the fire originated, so far as the declarant knows and believes; (3) That the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured; (4) The amount of other insurance and names of other insurers; (5) All liens and encumbrances on the property insured; (6) The place where the property insured, if movable, was deposited at the time of the fire.

To qualify as a fire loss within the meaning of an ordinary fire insurance

policy, the loss must come within the scope of certain conditions. In the first place, there must be actual fire or ignition; a mere heating or fermentation is not sufficient. There must also be something on fire which ought not to be on fire; a fire lighted in the usual way for domestic or other purposes, whilst confined within its proper limits, is not a fire within the meaning of the policy.

Fortunately, the business of fire insurance is mainly controlled and managed by men whose character and integrity and clear sense of equity prevent them from availing themselves of immaterial or technical objections to the payment of claims, except in cases where they believe there has been fraud.

Further, the cause of the fire or of its breaking its usual bounds must be in the nature of an accident or casualty. The wilful act of a third person without the privity or consent of the insured is regarded as an accident for the purposes of this condition. If the foregoing conditions are complied with, any loss caused by the fire, whether by actual burning, cracking, scorching, by smoke or water or other

Cause of Fire

wise comes within the scope of the contract. But smoke damage, cracking or scorching due to fire in a stove or furnace, which fire merely fulfils the purpose intended and does not break its proper bounds, is not a loss within the meaning of the policy. Although, the element of accident is present, there is nothing on fire which ought not to be on fire, there being no ignition outside the fire container.

While the loss under the policy may be made payable to a third person, proof of loss must be made by the insured. It is provided, however, that in case of the absence of the insured or his inability to make such proof, the proof may be made by his agent, or, if the insured refuses to do so, proof may be made by a person to whom any part of the insurance money is payable. Where several persons are insured under one policy, proof of loss may be made by any one of them, unless the policy otherwise stipulates.

In a case where there has been imperfect compliance with a statutory condition as to proof of loss to be furnished and a resultant avoidance of the insurance in whole or in part, the Court, under the Insurance Acts of all the Provinces except Quebec, is empowered, if it deems it inequitable that the insurance should be forfeited or avoided on that ground, to afford relief from forfeiture on such terms as may seem just.

Notice of Loss

It has been held that the condition requiring the insured to give notice in writing forthwith after the loss is substantially complied with when the insured notifies the agent who solicited the insurance and such agent notifies the company in writing. As to the meaning of "forthwith" in this condition, it has been judicially interpreted as "within a reasonable time and without an unjustifiable delay, under all the circumstances of the case." In this respect, the words "forthwith" and "immediately" have the same meaning. Accidental loss of the policy has been held to justify the Court in considering notice to have been given "immediately," though notice was not given until forty days after the fire.

A notice of loss furnished within ten days after the fire is generally regarded as having been given within a reasonable time, but if served later than that it is ordinarily not considered as complying with the statutory requirement. A notice on the twentieth day after the fire has been held not to be a compliance with the requirement. Where it has been proved that notice of loss was duly mailed, and there is no evidence of non-delivery, delivery will be presumed.

With respect to the furnishing of proofs of loss, it should not be overlooked that any fraud or wilfully false statement in a statutory declaration in connection with proofs of loss vitiates the claim of the person making the declaration. Not only that, but a fraudulent or wilfully false statement invalidates the whole claim and not merely the claim as to the particular property regarding which the false statement was made. But in one case, where the insured had two policies, one on his house and one on the contents, it was held that the false statement which vitiated the policy on the building, did not affect the policy on the contents, as they were separate contracts.

Loss Exaggerated

But errors and exaggerations in the proofs of loss which may be attributable to mistake, inaccuracy of information or faulty memory, are not to be classed as wilfully false, according to a recent decision in a Manitoba case, where the adjuster had deprived the insured of possession of the premises and had not given the insured adequate opportunity to check and appraise the loss.

It is to be noted that a loss under a fire insurance policy is payable within sixty days after completion of proofs of loss, unless the contract provides for a shorter period; and that any action or proceeding against an insurance company for the recovery of any claim under a fire insurance policy is absolutely barred unless commenced within one year next after the loss or damage occurs.

It is well for the insuring public to bear in mind the statutory condition in fire policies which provides that "if any person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstances which is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the con-

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N. DUCHARME, president and general manager, La Sauvegarde Life Insurance Co. of Montreal, who has recently been elected a director of the Canadian Mercantile Insurance Co. —Photo by "Who's Who in Canada".

tract shall be void as to the property in respect of which the misrepresentation or omission is made." In a recent case, the Nova Scotia Supreme Court held that the fact that the insured had two previous fires is a material fact which should be made known to the insurance company, and a verdict that it is not material is one that no reasonable jury can find.

Inquiries

Editor, Concerning Insurance:

I have been offered a policy with the Postal Life Insurance Co. of New York and am wondering whether this company is licensed here and whether a security deposit has been made in Ottawa.

The company offers a 9½% guaranteed dividend. Is this a reliable guarantee or has it ever been known that this dividend had to be repudiated?

Would appreciate your opinion as to the advisability of insuring with a company of the above type.

—C. R. G., Toronto, Ont.

Postal Life Insurance Company of New York is not licensed in Canada, and has no deposit with the Government here for the protection of Canadian policyholders. In the case of a disputed claim, payment could not be enforced in the local courts; the claimant would have to take action in New York. It is advisable in my opinion to insure only with companies that are regularly licensed in Canada and which have deposits with the Government for the protection of Canadian policyholders.

This company is not a mutual company but a stock company, with a capital of \$100,000 in shares of the par value of \$10 each.

Editor, Concerning Insurance:

May I have your advice on the following insurance matter:

I have a 10-year term policy, taken out in 1933, value \$10,000 annual premium \$83.40, age at that time 31.

At any time up to the 7th year it may be converted into another type of policy by paying the difference between the new premium and \$83.40, plus 6% compound interest.

If I live I expect to require the insurance after the termination of the 10 years, and have in mind a 20-pay.

As I see it I have the following alternatives:

1. Convert, this year or next, taking a policy dated 1933, and paying approximately \$1400 cash to bring it up to date.

2. Convert, this year or next, taking a policy dated 1938 or 1939, and possibly applying the \$1400 to several years advance payments.

3. Wait for the end of the 10-year term, and then take out a new 20-pay, either with the same company, or a different one. The same company would not require a new medical examination, but otherwise would not appear to offer any advantage.

Which procedure would, in your opinion, be the best for me to follow.

—S. J. G., Kirkland Lake, Ont.

It is advisable to convert a term policy into permanent life insurance well within the convertible period, and if you converted it this year into a 20-pay life policy you would be making no mistake. There would be no particular advantage in making any advance payments or in having the policy dated back to 1932 and paying up the back premiums in a lump sum, unless your object is savings rather than protection and you

have no other use for the money at this time, or unless you feel that you may not be able to keep up the annual payments in the future and want to make sure of getting some of them out of the way while you have the ready money.

As a rule, it is advisable to pay for insurance protection by way of an annual premium until it becomes a paid up policy or matures as a death claim. In that way you get the best value for your money as you go along. If you die, you haven't paid for protection in advance which you didn't receive, and if you live you will have a paid-up policy in a reasonable length of time, in the case of a 20-pay life policy, which will continue to provide insurance protection without further cost as long as such protection is needed, and the cash value of which can then be utilized for the purpose of providing income or for any other purpose which best your requirements at that time.

Superintendents to Meet at Montreal Aug. 21-24

OFFICIAL announcement has been made that the 22nd annual conference of the Association of Superintendents of Insurance of the Provinces of Canada will be held in Montreal, with headquarters at the Mount Royal Hotel, on August 21, 22, 23 and 24, following the meeting of the Canadian Bar Association.

It is anticipated that every province will be represented by its Superintendent of Insurance or other acting insurance supervising official and that, in addition, as at former conferences, Attorneys General, Deputy Attorneys General, Legislative Council and other Advisory representatives of the several provinces will be in attendance. Every person or organization interested in the business of insurance in Canada is invited to attend or be represented without formal invitation. In particular, the attendance of representatives of so-called public bodies such as the Canadian Manufacturers' Association, Boards of Trade, Chambers of Commerce, is solicited.

The agenda for the conference naturally arises out of the Proceedings of the 1938 Victoria conference and the legislation and other regulations which were then considered and referred back to the several Committees of this Association for subsequent report to the next conference. Proposed legislation discussed at the 1938 conference will be again reported upon and discussed.

All inquiries concerning the conference should be addressed to the secretary, Ontario Superintendent of Insurance Hartley D. McNairn, K.C., Parliament Bldgs., Toronto.

Sulphanilamide and Mortality Rates

THE introduction of sulphanilamide and related compounds in the treatment of certain acute infections, including patients suffering from serious streptococcus haemolyticus infections as well as in meningococci, gonococci and many urinary infections, is likely to exert a decided effect on mortality rates. Dr. Ray Farquharson, Professor of Medicine and Therapeutics at the University of Toronto, Toronto, Ontario, declared in his address on "Recent Advances in Clinical Medicine and Practical Application to Insurance Medicine" at the Twenty-Ninth Annual Meeting of the Medical Section of the American Life Convention at The Homestead, in Hot Springs, Va.

"The use of the pyridine derivative of sulphanilamide (sulfapyridine) in the treatment of pneumococcal pneumonias, as well as streptococcal infections," he continued, "promises to have a much greater effect on mortality rates. Its use in the treatment of over 140 cases of pneumococcal pneumonia at the Toronto General Hospital during the past year has been associated with a mortality rate of only 8 per cent. Furthermore, almost all the fatal cases were either old or debilitated with chronic disease before the onset of the pneumonia. There were only two deaths in patients under fifty and one of these was extremely ill with pulmonary oedema when chemotherapy was started. The other died of agranulocytosis, a toxic manifestation of the sulfapyridine therapy.

"In almost all cases of pneumonia, administration of large doses of the drug results in an abrupt fall in temperature to an approximately normal level within thirty-six hours. This fall in temperature occurs whether the treatment is begun on the first, second, third or later days of the disease and is so constant that its failure to occur might lead to doubt that the pneumonia was due to either pneumococcus or streptococcus haemolyticus infection.

"The number of cases treated to date have been sufficient for adequate statistical consideration but the fact that similar results are being obtained in all centers indicates that this therapy is likely to exert a decided effect on the mortality in pneumonia. Its use has led to recovery in many

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apparently hopeless cases with positive blood cultures growing many colonies per cubic centimeter of blood. Several cases of pneumococcal pneumonia with empyema have recovered under sulfapyridine therapy and repeated aspiration without rib resection.

Dr. Farquharson added that there are, however, many toxic effects from the use of this drug, most of which are not serious. Many patients suffer from lassitude, nausea and vomiting which makes them rebel against taking the drug. He expressed the belief that perhaps the intravenous administration of the sodium salt or of some other soluble preparation of the drug will overcome this difficulty.

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War Risks Check To British Building

BY GILBERT C. LAYTON

Saturday Night's Financial Correspondent in London

A paralysis of new building and rebuilding is threatened in Britain because of present inability to obtain any insurance against damage to property caused by war. The insurance companies won't write such insurance because of the lack of any basis for determining the possible liabilities. The government announced its acceptance of responsibility for provision of insurance protection but declared that the amount of compensation would depend upon the country's financial capacity after hostilities had ceased. This is unsatisfactory to property owners.

Mr. Layton says there are two ways out of the difficulty. One is for the government to invite premiums at a rate sufficient to at least provide against the contingency of several air attacks. The other is for the government to provide for immediate compensation in special government bonds which would be redeemed after the war.

EVER since the risk of war became a dominant consideration for business-men there have been efforts to secure the insurance of war risks on property. Lloyd's would have none of it, because the unassessable risk is an uneconomic risk, and the responsibility was passed to the government.

The government promised to consider the matter, and towards the end of last year official spokesmen were pointing out difficulties without committing themselves to possibilities. This evasiveness stimulated the efforts, pursued by an almost desperate public, to achieve protection by forming mutual assistance pools, out of which the sufferers from war damage would be reimbursed.

It may have been partly the realization that in such schemes the premium income, constituting the resources available for recompense, bore a lamentably low ratio to the possible damage that persuaded the government to recognize its obligations.

Government's Limitation

This it did by stating that it would consider damage to property caused by war to concern the community as a whole. It had arranged for the re-insurance with it of marine risks and, in order to maintain a continued flow of necessary supplies, it undertook to arrange full and immediate compensation for damage to stocks of essential goods.

But from the very principle of the acceptance by the country of property risks came the limiting factor, that compensation would depend entirely upon the country's financial capacity after hostilities had ceased. Since that was hypothetical, no more precise scale of reimbursement could be defined than that it would be the highest compatible with the post-war situation.

Property owners protested against what they called the inadequacy of this plan and the government sat long in further consideration. After its labor it has produced a mouse, which is none the less insignificant for being inevitable.

It had been urged that what the government could do for shipping and stocks it could do for property, but Mr. Stanley, President of the Board of Trade, estimates the total value of ships and their cargoes at £380 millions, and commodity stocks at £2,000 millions. The aggregate value of property and equipment, for which no precise scheme has been formulated, is put at £12,000 millions.

Independent Committee

The question is, what can the four or five just men, who are to form the independent committee to investigate the question, do in the way of investigation which the government has not done?

The basic facts are clear and unalterable. The value of property is so great and the risk so incalculable that no economic basis for the premium system of insurance can be discovered. And, now that the burden is accepted by the government, it can give no promise and devise no scheme until it can estimate the funds available for meeting claims. And such an estimate is only possible after war has ceased.

Can the committee find any way round these points? The need is pressing, for building propositions have been shelved because of the lack of insurance facilities and business initiative in general has been greatly hindered. The arrangement for insuring stocks of essential commodities provided a stimulus, but it will largely disappear unless there is the associated guarantee of protection against property damage.

Two Ways Out?

There are two ways out of the difficulty.

One is for the government to invite premiums at the rate of, say, 1½ per cent. from property owners. The funds so received would cover damage up to £180 millions and would certainly provide against the contingency of several air attacks.

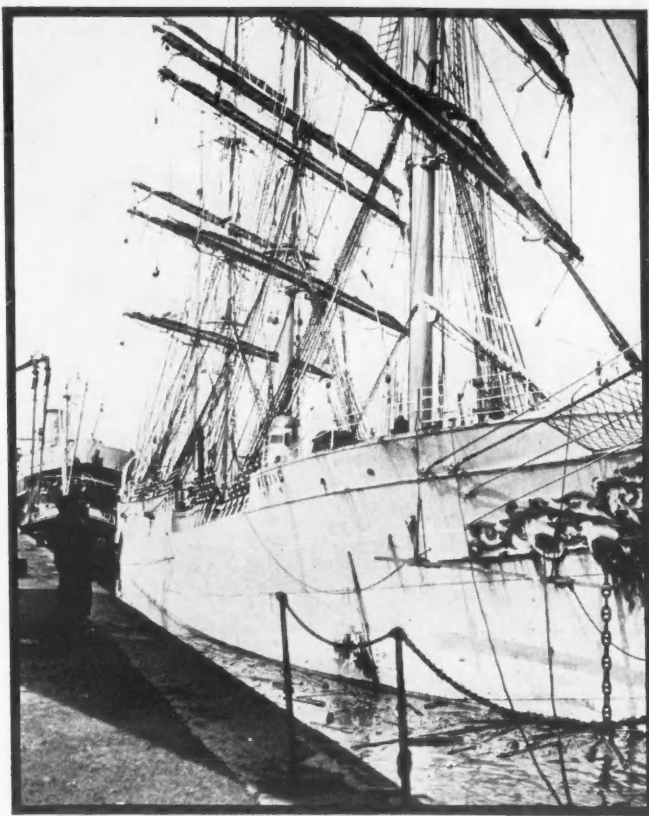
The other is for the government to arrange immediate recompense, not in money, but in negotiable government bonds specifically created for the purpose. It is true that the ability to redeem these issues would depend upon the country's financial condition after the war, but the issues would at least prevent the paralysis of new building and rebuilding which is now threatened.

From the point of view of the retail trader, who already has the benefit of the stock insurance scheme, this system would be preferable to one which aimed at amassing, by anomalously high premiums, funds sufficiently large to afford some real protection.

Encouraging Enterprise

And to commerce generally such a provision would mean the putting in hand of enterprises now held up by uncertainty and, in the event of war, it would enable such enterprises as were free from the actual conduct of hostilities to find ready employment in the restoration of bombed property.

If the government's advisors do not find it possible to devise a practical scheme, which, without bolstering up an artificial confidence, really does offer the protection of insurance, then industry and trade will suffer an incalculable loss. In any case there is a clear need for speed in reaching a decision and formulating proposals. Every day wasted, every procrastination, is costing money.



THE SAILING SHIP "VIKING", 190 days out of Sydney, Australia, docks at Cardiff with a cargo of grain. It was the first time in over 5 years that an Australian grain ship had docked at Cardiff.

Mines

BY J. A. McRAE

WRIGHT-HARGREAVES Mines is maintaining production at a rate of very close to \$8,000,000 a year. Although the costs of operation are comparatively high as measured by cost per ton of ore milled, yet the grade of the ore is high. As a result, the company is making a net profit of between \$17 and \$18 on each ounce of gold produced. This is after taking care of taxes as well as cost of operation. The mine has been in production for a little over 18 years. Production for the past year or so has been at a higher rate than at any previous time in the history of the enterprise.

The God's Lake gold area in Northern Manitoba has taken on a more impressive outlook. Prospectors for the God's Lake Mines have discovered a new vein about seven miles to the southeast of the present producing property. The discovery consists of a vein of quartz four feet in width and containing some of the richest ore so far found in the field. Early assays of some of the material show several ounces of gold per ton. Meanwhile, the original property is producing some \$80,000 monthly and ore reserves are increasing. The newly-reported find of high grade is also of interest to other interests holding properties to the east of the God's Lake mine, including Smelter Gold Mines.

Hallnor, the new rich producer in the easterly part of the Porcupine gold area, has set a fine record in producing its gold at a cost of \$11.15 an ounce, and thereby showing a net profit of nearly \$24 on each ounce produced. There are two reasons for this. One is the fact that unusually high grade ore is being treated, and the other is that the enterprise is very young. Low costs, and more especially higher than average grade of ore is typical of many new enterprises, including mines like Hollinger, Lake Shore and others in their days of infancy.

Costs of operations at the various mines of Canada do not comprise a yardstick with which to measure the

varying degree of efficiency prevailing. Efficiency does play an exceedingly important part in the prosperity of any mine and is sometimes the deciding factor between success and failure. However, grade of ore, cost of motive power, problems of transportation, type of ore deposit, and many other factors enter into the governing influences. For instance, Howey Gold Mines Company mines and mills its ore at much less cost per ton than does any other gold mine in Canada, yet in spite of this, it costs the company approximately \$30 for each ounce of gold produced. The reason is that the ore contains less than \$2 per ton in gold to start with, and in order to realize any profit at all, the management of the enterprise has been driven by absolute necessity to establish a degree of efficiency not surpassed by any other mining organization in the Dominion.

Falconbridge Nickel Mines made a net profit of \$474,143 in the three months ended June 30. This amounted to 14.2 cents per share. Nickel production has now risen to a rate of 18,000,000 lbs. annually. Copper output is at a rate of nearly 9,000,000 lbs. annually. Working capital has risen to \$4,476,723.

Waite Amulet Mines is making good progress in preparing the mine for production on a basis of 1,000 tons of ore daily. Two shafts are being put down. One has reached 1,000 ft. and the other is down nearly 900 ft. The first objective is approximately one quarter mile in depth. This work is all centered on the Amulet section where diamond drilling a year or so ago indicated a very big tonnage of ore. Meanwhile, production from the Waite section is at a rate of about 450 tons daily, this work yielding close to 100 tons of concentrates daily, the concentrate carrying about 25 per cent. copper and 3 per cent. zinc.

Copper, lead, and zinc are enjoying stronger demand, and there has been a strong swing of mining and financial interest toward base metal mining projects during recent weeks. Included among these are not only such leaders as International Nickel, Falconbridge Nickel, Noranda, Hudson Bay, Sherritt-Gordon and Con. Smelters, but, also, smaller propositions such as Base Metals Mining Corporation, Nickel Offsets, Mandy Mines, Normetal Mining Corp. and others.

Uchi Gold Mines has brought its new mill to rated capacity of 500 tons of ore daily. Grade of ore has recently been around \$9 per ton. Stopping is in progress at three levels, while the fourth level is almost ready for stopping operations. Extension of the shaft below the 700 ft. level is progressing.

Mines in Quebec province produced \$8,791,268 in gold during the three months ended June 30, making a total of \$17,031,000 for the first half of the year. This is a gain of 14 per cent. above the first half of 1938. A total of 27 mines contributed to the output. A feature of the Quebec gold mining picture is the large percentage of mines working on low grade ore. For example the average in the second quarter of 1939 for Arntfield was \$2.92 per ton, Sladen Malartic \$3.22 per ton, Lapa Cadillac \$3.43 per ton, Beattie \$3.92 per ton, Canadian Malartic \$4.16 per ton, Cournot \$4.51 per ton, Powell Rouyn \$5.03 per ton and Stadacona \$5.33 per ton. Except in cases where a large tonnage is being handled as at Beattie Gold Mines, it is difficult to show any very great margin of profit on ore grading around \$5 per ton or under. At the low grade mines referred to it is necessary to mine and mill an average of close to ten tons of ore in order to recover each ounce of gold.

Upper Canada Gold Mines has made good progress with mill construction

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and all signs indicate the plant of 150 tons daily capacity will go into operation within the next eight weeks.

Preston East Dome is milling 400 tons of ore daily. Ore from the mine has so far averaged \$9.80 to the ton. This points toward 12,000 tons of ore

monthly and normal production of some \$110,000 per month. Estimates have been made that bonded indebtedness will all be paid off by the end of this year. In that event, shareholders might reasonably look forward toward dividends by this time next year.



DESPITE THE FACT that United States Secretary of the Interior Harold Ickes refuses to allow the export of helium gas to National Socialist Germany, the Nazis, under the direction of Dr. Hugo Eckener—commander of the Graf Zeppelin on its first round-the-world and transatlantic flights—have continued to build and experiment with lighter-than-air craft. Here is one of the latest.

Western Oil and Oil Men

BY T. E. KEYES

LAST week several very successful and reputable geologists visited Calgary. Among them was Dr. Ralph Arnold of Los Angeles.

According to some local geologists Dr. Arnold is among the world's top-notchers, so far as oil geologists go. I have just looked him up in "Who's Who," and he has been in the oil business since 1899, and had charge of the Petroleum Division, U.S. Department of Mines, for several years. He has degrees from a great number of Universities, and in private practice has been associated with oil companies operating all over the U.S., in Mexico, Venezuela and Trinidad; most of these companies have been very successful.

The point I particularly want to make is that Dr. Arnold is now enthusiastic about the possibilities of finding oil on the prairies. He did considerable geological work in the prairies from 1915 to 1920 but without too much success; however, on his present trip he has found much drilling and geological work has been done in the intervening years. He points out that present operators are able to capitalize on all this work, and like Thos. F. Lee, he considers now is the time to get into the western oil picture.

Dr. Arnold has recently been working in the Lloydminster area where Franco Oils has large acreage holdings and are doing considerable development work jointly with other companies.

Included in this company's program, when approval of their gas franchise agreement with the City of Saskatoon has been obtained from the interested bodies, is the building of gas pipelines and a gas distributing system at an estimated cost of \$4,500,000.

When asked about the possibility of a permanent gas supply from the Lloydminster area, a point which the Saskatchewan Local Government Board questioned some time ago, Dr. Arnold said: "In my opinion there is plenty of gas in the Lloydminster, Vera-Ribstone and adjacent regions to supply the City of Saskatoon and any other available markets," which he later explained included Regina and Winnipeg. "The quicker they develop these markets, the quicker they will find the gas to furnish them. Any area that will produce a 20,000,000 c.f. gas well is a potential gas field. I am satisfied that anyone putting money into intelligent gas development and gas marketing systems in the present Saskatoon system is making a conservative investment. I say this with a background of 40 years' experience in the oil and gas business, 25 years spread over Alberta, Saskatchewan, Montana and Wyoming."

Another geologist whom I spent a very interesting afternoon with, visiting the Moose Dome structure, was Dr. D. G. Madgwick of the Department of Mines, Ottawa. This man, like Dr. Arnold, has also been all over the globe.

It was Dr. Madgwick who first recommended the development of the Bahrein Island fields to British interests. However, the British interests let this field slip through their fingers and American interests now control it. Some months ago there was a very interesting article in the American Magazine on the Bahrein Island oil fields, captioned "Is John Bull's Face Red?" This field is located in the Persian Gulf.

The interesting part about the drive to the Moose Dome field is that as you go along the banks of the Elbow River you are able to see exposed the various formations as they are in the Turner Valley field. For instance, the Belly River, Benton, Blairmore, Kootenay and finally the Madison lime strata (where the oil is found) are all exposed, and one can take a hammer and break off a piece of this lime. Parts of it are honeycombed just like a sponge, and parts again are not very porous. This very largely explains why we have large and small wells in Turner Valley. If you happen to drill into a very porous horizon you are almost certain to get a big well, but if, on the other hand, the drill should happen to penetrate the lime where there is no porosity, you are almost sure to get a dry hole or duster.

Apart from the Grand Canyon, Moose Dome is one of the few other known places in the world where all these formations can be seen with the naked eye. You can dig out of the rocks various fossils such as oysters, fish, snails, dinosaurs, etc. In fact, I met a chap from the American Museum of Natural History of New York gathering fossils at Moose Dome.

There are two wells owned by the Moose Dome Oil Company on this structure; one is a naphtha well and the other produces a high grade crude oil. According to Mr. R. W. Pilling, who drove us out to the field, the crude producer is not completed and the company intends to either deepen this well or drill another well in the near future. The present production from the No. 2 well is marketed to independent refineries.

We also have with us in Calgary Dr. Charles Camsel, the Deputy Minister of Mines and Resources, Ottawa. Unofficially at least, it is stated that Dr. Camsel is investigating the oil reserves of the Turner Valley and

other fields, and that he will be making recommendations to the Dominion Gov't. as to what action it should take in connection with the suggested pipelines in which British capital is interested in financing in part.

As this is written, Dr. Camsel stated he was still studying the oil situation, and it was still too early for him to make any comment. Those interested in the pipeline program say that it is not in the interests of the industry or country that any details be released at the present time.

I should possibly have mentioned that Dr. Camsel is one of the country's best-known geologists. During his stay in Calgary we have seen a little more of Dr. Hume than usual, as he has had to come in and show this chief around. Dr. Hume is still very optimistic as to the Jumping Pound structure, presently being drilled by the Brown interests. The lime is expected at around 7000 feet.

While discussing Dr. Hume, I might say that practically all of these visiting U.S. geologists who have come in contact with him speak very highly of him. Here is about the usual comment: "The Dominion of Canada has a very fine man in Dr. Hume... a man of wide experience and mature judgment... frank, honest and very courteous"—from my own experience with most of these U.S. geologists, the same terms would apply to themselves. On the whole, they have been a very fine bunch to interview.

Coming back to Turner Valley, the Anglo No. 4, while not yet given an allowable by the Conservation Board, appears to be a very good well; it is producing at the rate of 1,711 barrels per day through the 1-inch choke.



WHILE PAYING A GOODWILL VISIT to Canada last week, Marcel Olivier, former Governor-General of French West Africa, and now High Commissioner of France at the New York World's Fair, was keenly interested in the rapids encountered during the boat trip from Toronto to Montreal. The distinguished visitor is shown above with Captain Preston Cherry of the S.S. Rapids Prince of the Canada Steamships Lines.

after receiving its second acid treatment. The Anglo No. 6 well is standing cemented in the lime or producing horizon, and should be finished by the end of this month. The Extension No. 2 well, being drilled under contract by Anglo's subsidiary company, is also nearing completion.

The Scottish Petroleum, an important test well located about 1/4 mile east of the Okalta No. 6, encountered salt water in the lower lime horizon. This is being cemented off, and the management are hoping that they may be able to obtain commercial

production from the upper lime zone.

The Royalite 39 and 40 wells have not received allowables as yet. Royalite 41 has completed drilling and was being put on production last week-end. As this is written there are no estimates as to its size.

Drilling was resumed again from the 2,500 ft. horizon at the Altoba Clearwater No. 1 well, and a further 42 feet of hole was made. Officials of Canyon Oils, which company is jointly interested in this test, say that there is a considerable increase

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in the volume of gas which had been previously estimated at 4,000,000 c.f. This gas has a high naphtha content.

done a great deal of geological and geophysical work in Alberta, this is the first drilling venture.

Rainy Hills well, located on the Steveville structure, is nearing completion, and by the time this issue of SATURDAY NIGHT reaches you, the results of this test should be known.

Temporary daily allowables have been allotted to British Colonial—400 barrels; East Crest No. 4—125 barrels; Inter City—80 barrels; York No. 2—250 barrels.

According to Walter F. Thorn, President of Franco Oils who passed through Calgary last week, excellent time is being made in the drilling of several wells in the Lloydminster area in which the Franco Company is interested. Mr. Thorn was en route to Cardston where his company is spudding in the No. 2 Cardston well.

The Winalta well was completed late last week, but as this is written, it has not received an allowable from the Conservation Board.

The California Company, a subsidiary of Standard Oils of California, is going to test the Steveville structure. The tentative location is in Sec. 7, Twp. 18, Range 2 West of 4th Meridian, about 12 miles south of the Anglo-Canadian No. 2 well. While the California Company has recently

The Scottish Pete well is approximately 1200 feet higher in structure, and geologists feel that there is very little chance of it encountering water. It will extend the proven area of Turner Valley field to the west.

I had intended to tell you something about the latest methods of processing oil, and also about the origin of oil; however we will have to keep this for another time.

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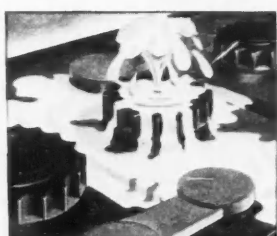
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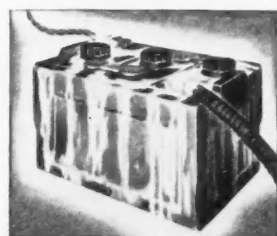
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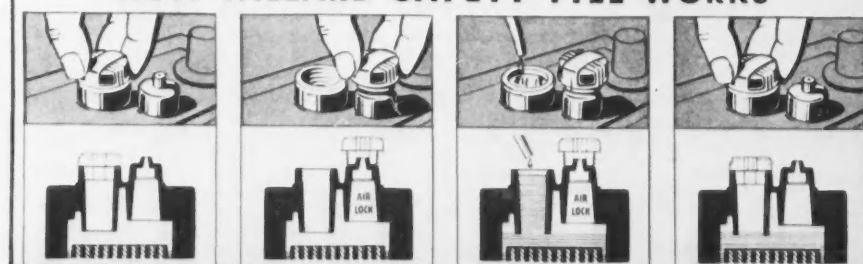
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SATURDAY NIGHT

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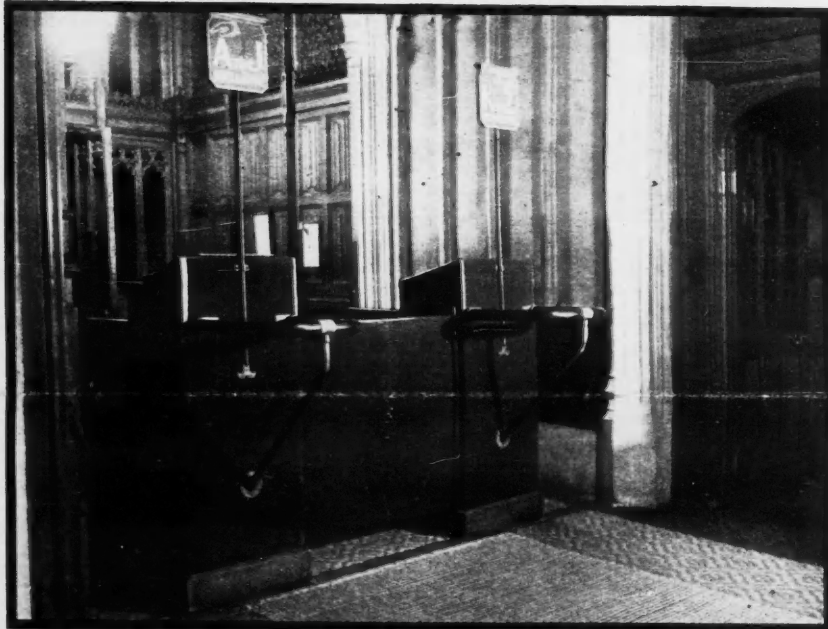
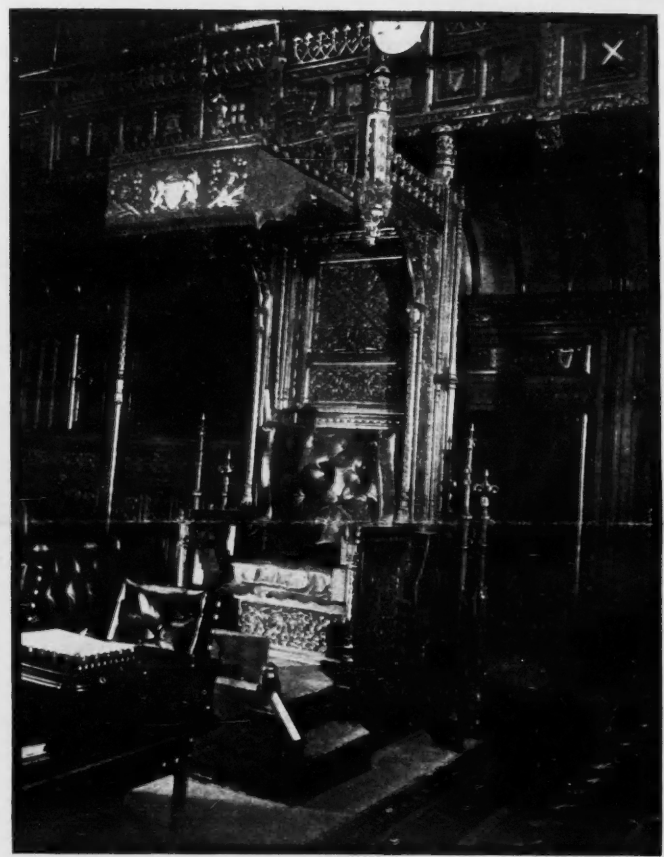
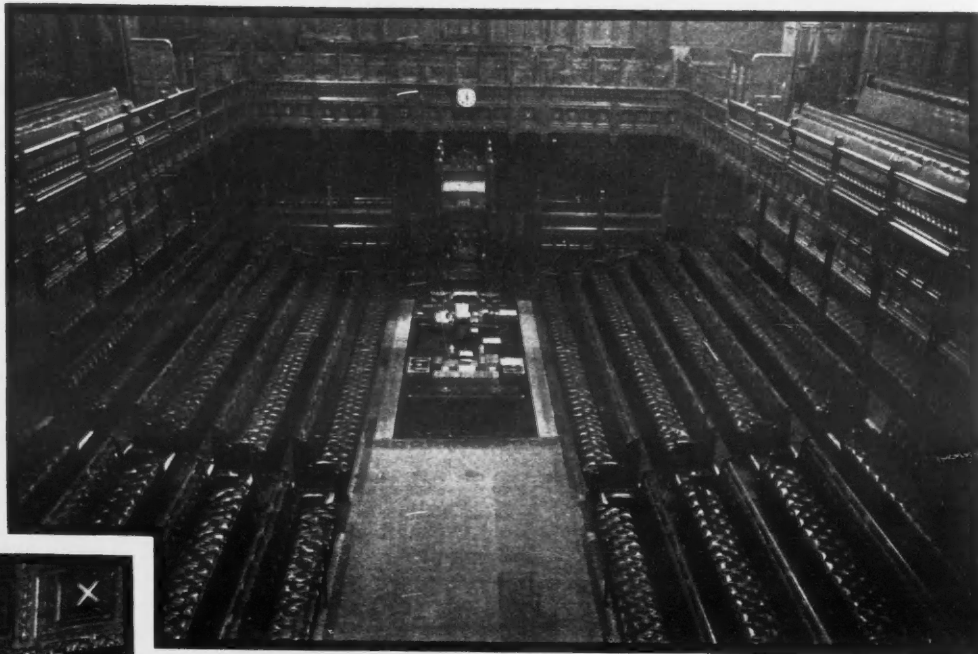
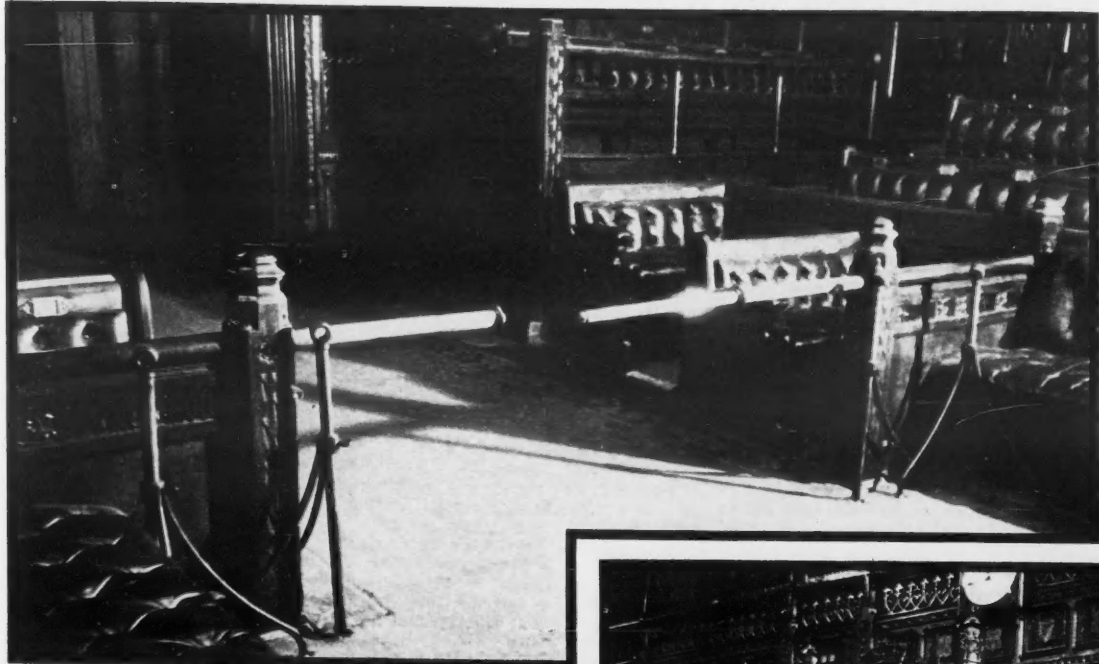
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HOMES

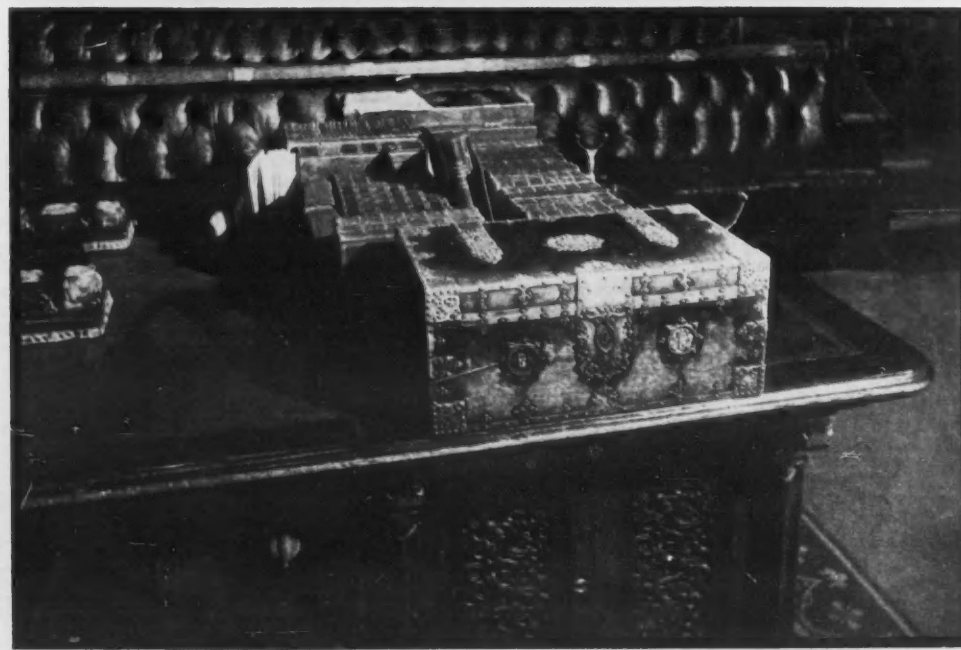
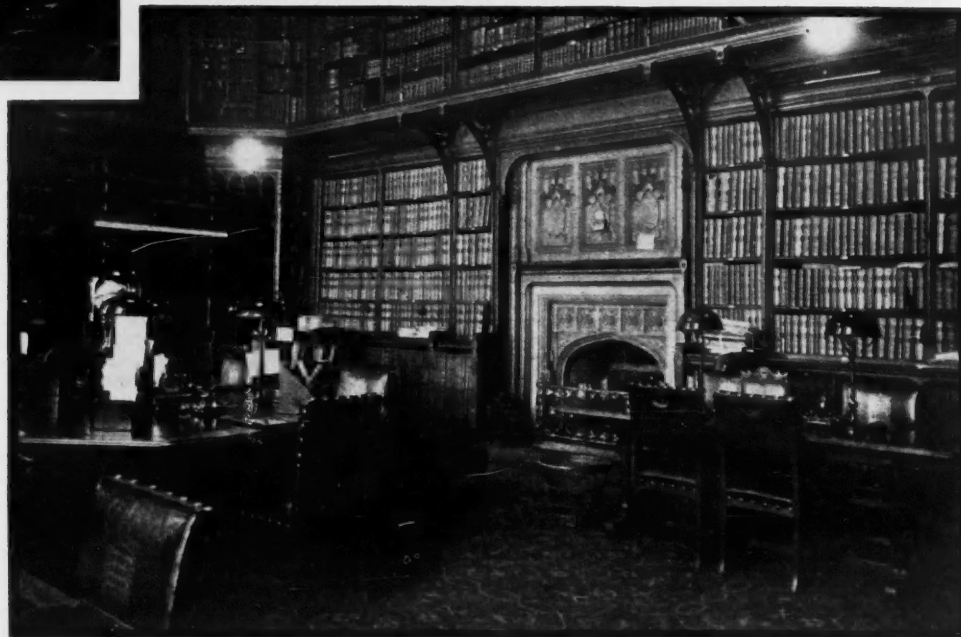
THE ARTS

TORONTO, CANADA, AUGUST 12, 1939

Only Empty Seats At Westminster Await Events



MR. CHAMBERLAIN had his way and despite the statement of Foreign Secretary Lord Halifax that "the next few weeks . . . may prove critical" two months will elapse before the British Government intends to summon Parliament. In the meantime the stately halls of the Mother of Parliaments will echo only to the footsteps of sight-seers; that they are well worth a visit these pictures show. TOP, left, the historic bar of the House of Commons, beyond which only members and officials are allowed to pass. Right, a general view of the Commons chamber which, as is well known, fails to accommodate all members. CENTRE, left, the view toward the Central Hall in which visitors to members must wait. Middle, detail of the Speaker's chair. Right, the entrance to the division lobbies, with desks for tellers to record the vote. Immediately right, the famous library with its clock telling time in all parts of the world. BELOW, left, the interior of one of the division lobbies. Right, the brass-bound box which stands in front of the Prime Minister. It contains a copy of the Testament and the Oath of Office and its top is scored by indentations made by the rings of generations of forceful speakers.



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MUSICAL EVENTS

Satire Becomes Popular

BY HECTOR CHARLESWORTH

REGINALD STEWART received a very cordial welcome when he returned to the conductor's stand after four weeks' absence, at last week's concert of the Promenade Symphony Orchestra in Varsity Arena. He was in a magnetic mood and the orchestra played with splendid efficiency a program for the most part familiar.

Mr. Stewart signalled the occasion by giving a much better interpretation of the César Franck Symphony in D minor than in the past. Within the last ten years this masterpiece, half a century old this year, has won amazing popular recognition, despite the fact that almost from first to last it treads spiritual heights, —heights which prompted Franck's pupil Vincent D'Indy to speak of its finale as "that manifestation of ideal beauty—that ascent to pure gladness and life-giving light." Apart from its exalted inspiration the symphony is richer in orchestral fabric than works of earlier composers whose conceptions rise to similar heights. The composer makes unique and colorful use of the English horn, the harp and the bass clarinet. Passages for the first two instruments named were admirably rendered, though in the case of the third the results were at times faulty. The orchestra as a whole acquitted itself well and the strings sang with truly spiritual fervor. Though Mr. Stewart's rendering was not profoundly emotional he revealed a much more impressive grip on his material than in his previous renderings of the work.

In comparison Mendelssohn's Overture, "Fingal's Cave," though played cleanly and efficiently, seemed a tepid affair. Conductor and orchestra acquitted themselves brilliantly in William Walton's captivating musical satire "Façade." In this work Walton pokes fun at most popular musical forms but does so with a wit and wealth of orchestral resource that keeps sophisticated listeners continually fascinated. "Façade" has also sufficient melody and rhythmic abandon to win unsophisticated listeners also, and had apparently entered the modern orchestral repertoire to stay.

The guest artist was a young German lyric soprano, Charlotte Boerner, who after winning some recognition in her own land has come to America to stay. As with most German-trained singers her style is finished and facile. Her voice is of pure, sweet and even quality but not large enough for so vast an auditorium. She would probably be more interesting in a recital hall of moderate size. She gave a good routine rendering of the Jewel Song from "Faust" and one or two German lieder. She also revived a museum piece, "Villanelle" (elaborate as an operatic aria) by the Italian-Belgian composer Eva dell'Acqua, said to be still living in her 80th year. Half a century ago the "Villanelle" went around the world and was a great favorite with coloratura singers. After a long run it disappeared from concert programs, though like similar half-forgotten works by Ardit it demands expert singing.

Summer Schools

Two summer schools of music under the auspices of the Ontario Department of Education have been at work this summer. One at Toronto has been under P. George Marshall, of Simcoe, a musical educator who has been engaged in such activities for twenty years. The other at London has been directed by Roy Fenwick, musical supervisor for the province. The total registration has been large. The purpose is to extend the knowledge of public school teachers and thus indirectly elevate standards in the schools themselves. The work was begun in a small way years ago by

COMPENSATION

WE'VE left behind the fields all bright
With buttercup and daisy,
The hours when we could hike or swim,
Or just be cool and lazy.

It's quite impossible to view
The prospect with elation;
Those fifty weary weeks of toil
Before the next vacation.

We'll miss the highway's happy sights,
The sunburned youngsters "thumbing"
Quite so, my friend, but think of this:
You will have indoor plumbing!

VERNA LOVEDAY HARDEN

the late A. T. Cringan, and has been greatly extended under the present Deputy Minister of Education, Dr. Duncan McArthur. The courses embrace instrumental and vocal work and musical appreciation. Part of the final concert of the Toronto gathering was broadcast and 500 singers acquitted themselves well in a choral program of exceptional musical quality.

An interesting summer experiment was launched last week at the Bowl, Stanley Park, Vancouver, in the form of a "Festival of Musical Comedy," sponsored by Christopher Spencer, a prominent local business man. The Bowl can accommodate 12,000 which permits of a low scale of prices. The



AN ANTICIPATED EVENT of Tuesday, Aug. 15, is the fifth in the series of Summer Garden Concerts, under the direction of Madame Lugrin-Fahey, in the gardens of the Lyceum Women's Art Association. Among those taking part are Constance Vernon, Joseph O'Sullivan (of the Toronto Repertory Theatre), Adele Hunter, Miriam Converse Smith, and many others.

artists at the initial event were John Charles Thomas, baritone and Vivian della Chiesa, lyric soprano; with Fritz Kitzinger, of the Metropolitan Opera House, as conductor. Sullivan figured largely on the program and the other composers represented were Rossini, Bizet, Puccini, Victor Herbert and Jerome Kern.

Dr. Healey Willan conducted his grandiose Marche Solennelle in person with the Vancouver Symphony Orchestra at its regular concert on August 6. Previous interpretations of the work have been at Toronto with Reginald Stewart and Sir Ernest MacMillan officiating. The Vancouver Symphony Society is now arranging for a winter season of six concerts at the Orpheum Theatre with Allard de Ridder conducting. At one of these events Sir Ernest MacMillan will appear as guest conductor.

Turning the Dial

Richard Manning, a gifted Canadian tenor was recently featured on the weekly Lieder Recital broadcast from Montreal. His program was of unusual interest, including numbers by Doda and Manuel de Falla. Stanley Hoban the noted Winnipeg baritone the other night provided the "Art Singer" broadcast from that city. His numbers included Kreisler's arrangement of the Scottish folk song "Leezie Lindsay," Moussorgsky's "Forgotten One" and the English folk song "The Farmer's Pride."

The season of weekly concerts by the Summer Symphony Orchestra at the Walker Theatre, Winnipeg, was concluded on August 9. The work of its conductor, Geoffrey Waddington, has met with very high encomiums from the music lovers of Winnipeg. With an orchestra of 50 pieces he has given effective interpretations of many standard symphonic works. The final concert was a "request" event and the major work performed was Tchaikovsky's Fifth Symphony, for which a heavy vote was polled.

During August Mary Friedman, a young Montreal singer, is making three appearances on the broadcast "Serenade for Strings." Her public began at the age of ten when she was a violin student of much promise at the McGill Conservatorium. In 1932 she attained her licentiate degree and in connection therewith studied singing as a subsidiary subject. She developed such vocal possibilities that her teachers induced her to abandon her plan of a career as a violinist and adopt that of a singer. After local studies she went to New York, where, under competent instructors, she has developed a wide song repertoire, and is proficient in eight operatic roles. Still a young singer, her future holds forth much promise.

Unknown Strauss Waltzes

The name of Johann Strauss Jr., monarch of the waltz, is one of the most familiar of all on musical programs, despite the fact that he has been dead for forty years. Nevertheless there are many works of his that have not been heard in America. At Vienna there existed the Lowenberg Collection of Strauss manuscripts. Just before the Austrian Anschluss it was brought to America and was shortly afterward acquired as a national possession by Dr. Harold Spivacke, chief of the music division of the Library of Congress at Washington, which contains a magnificent collection of musical manuscripts. This was fortunate, because had the collection remained in Vienna it would probably have been burned by the Nazis, on account of the Jewish origin of the composer. Recently through the co-operation of Dr. Spivacke, the Columbia Symphony Orchestra under Howard Barlow gave a program of Strauss dances hitherto unknown in America, which proved of delightful melodic interest. The five works performed bore odd titles and included "Electrophor Polka," "Motoren Waltzer," "Paroxysmen Waltzer" and "Ballg'schichten Waltzer" and "Champagner Polka."

United States conductors and arrangers have only within recent years

wakened up to the treasure trove of manuscripts by famous composers that lies in the Library of Congress, the scope of which vastly outruns that of most national political and parliamentary collections.

The Reich has prepared a lengthy catalogue of musical works that should not be performed in the Reich because in the opinion of Hitler and his advisers they are detrimental to Nazi "ideology." It is possible that it has already been promulgated, because it is not the custom of the Nazi regime to allow the details of such decisions to be cabled as news. Ultimately the facts leak out through musical channels.

Henry Wood Fund

No musician past or present has, within his own lifetime, enjoyed a greater tribute than that recently accorded to the English conductor Sir Henry Wood. When his jubilee as a conductor was celebrated last year discussion arose as to what form public recognition of his services to British music should take. On his suggestion the Henry Wood Jubilee Fund was established to endow beds in leading London hospitals for British orchestral musicians. Baron D'Erlanger was chosen as Treasurer and according to a financial statement recently issued, total subscriptions of £8,824 have been received. By this means a permanent endowment of approximately \$15,000 has been established at Charing Cross Hospital and approximately \$10,000 at St. Bartholemew's, with lesser endowments elsewhere. The British Musicians' Pensions Society administers the fund.

Now that a "sort of a kind" of a peace has been restored in Spain, the world at large is able to find out what happened to musicians during the 54 months of the death struggle. Spain has many composers of ability little known outside that country, and these were almost equally divided between republicans and Franco supporters. The two living Spanish musicians best known internationally are the famous cellist and conductor, Pablo Casals, and the brilliant composer, Manuel de Falla. Casals' sympathies were apparently with the defeated Republican Government, and he was permitted to conduct the Barcelona Symphony Orchestra, largely his own creation, throughout most of the duration of the war. Manuel de Falla on the other hand was a Franco supporter. His home has long been in Granada, near the Alhambra, and he remained there throughout the war. For two years it was supposed that he was an exile in Mallorca and had lost his reason, but this story was false. In May of last year Franco was so confident of ultimate victory that he created an Institute of Spain on the pattern of the Institute of France, and named de Falla as President, an office the composer is at present administering from Granada. The best known of younger Spanish composers, Joaquin Nin, chose the safe course of embarking to his native Havana when hostilities began and has remained there.

Two years ago the discovery of a lost work by Beethoven would have been deemed news sufficiently important to be wired to other lands. But in the Reich of today such events sink into insignificance. Early this year incidental music which Beethoven composed in 1813 for Kuffner's tragedy "Tarpeia," (based on the story of the Roman traitress) was discovered in Vienna and was performed at Dusseldorf in May. Information is lacking as to its quality. Just at that time Beethoven composed some fairly bad music including his derided "Battle of Vittoria," but it must not be forgotten that the glorious Seventh Symphony also dates from 1813.

Myra Hess recently acted as adjudicator of candidates for the Celia Noble Overseas Prize at the Tobias Matthay Pianoforte School, London. The award went to Marjorie Dillabough of Winnipeg, Canada. Ethel de Gomez, an American pianist, was highly commended.

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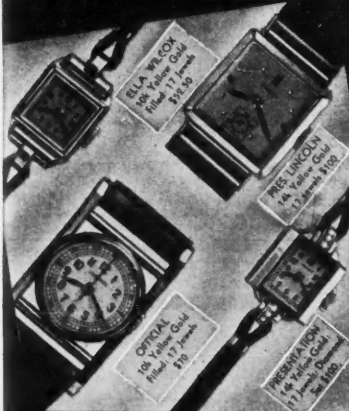
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Here Are All the Answers

BY LT.-COL. R. J. S. LANGFORD

"The Defence of Britain," by Liddell Hart. Faber and Faber (London). 12/6 net.

THE feeling I had after reading "The Defence of Britain" was that the British can thank God they have Liddell Hart to give advice and Hore-Belisha to act upon it. Captain Liddell Hart has divided his book into five parts. The first three parts deal with the problems of the defence of Great Britain and her Empire communication, the reader being given a masterly appreciation of the situation that Great Britain may have to face, and the author's views on how the manifold dangers can best be met. The last two parts of the volume deal with the reorganization of the British Army and the many reforms that have recently taken place.

Herewith are the author's answers to a few of the questions that so many of us have been asking ourselves and others since the Hitler-Mussolini alliance. If the answers in themselves are interesting, the clear reasoning, merciless logic, and the strict avoidance of wishful thinking which brought Liddell Hart to his conclusions make fascinating reading.

1. It is very doubtful if the British navy will be able to bottle up the German fleet in any future war.

2. The convoy system will be very precarious unless and until the enemy fleets are sunk or bottled up. The British navy should consider a big change in the proportions of flotilla and cruiser strength.

3. Great Britain cannot be invaded.

4. In 1936 the Russian army was more efficient as well as better equipped than the Czarist Army ever had been. Although it is reasonable to assume that the purges damaged efficiency for a time, the constitution of the Red Army is such that what might have been fatal to a west European army was likely in its case to be no worse than suffering from a case of measles. And there are signs that it is now convalescent, at least.

5. Spain will probably fight with the Axis powers against us; if neutral, General Franco will feel obligated to

repay the help given him by the Axis powers by allowing them the use of Spanish air and sea bases.

6. From experience in the Spanish civil war, slight as it was, the prospects of air defence were improving and air attack was not so overwhelming as popular fears anticipated.

7. It might be said of the British Air Force last September that while the state of equipment and training was dangerously inadequate, the state of adaptation to the new conditions of air warfare was dangerously doubtful. This condition of deficiency and inefficiency formed the chief justification for the British Government's part in inducing the Czechs to accept Germany's uncompromising demands. But it could hardly be termed an excuse, since the Government had been in office seven years.

8. There are some twenty basic products essential for war. Coal for general production. Petroleum for motive power. Cotton for explosives. Wool. Iron. Rubber for transport. Copper for general armament and all electrical equipment. Nickel for steel-making and ammunition. Lead for ammunition. Glycerine for dynamite. Cellulose for smokeless powders. Mercury for detonators. Aluminum and bauxite for aircraft. Platinum for chemical apparatus. Antimony, manganese etc., for steel-making and metallurgy in general. Asbestos for guns and machinery. Mica for flexibility. Nitric acid and sulphur, both for explosives. With regard to the above, Italy has to import the bulk of her needs in nearly every product, even to coal. Japan, despite recent gains, is still short of most materials, save copper and coal. Germany has no home production of cotton, rubber, tin, platinum, bauxite, mercury, and mica, while her supplies of iron-ore, copper, antimony, manganese, nickel, sulphur, wool and petroleum are quite inadequate.

I conclude with a strong recommendation to all members of Canada's Defence Forces that they cannot afford to miss reading, marking, learning and inwardly digesting this remarkable book.

Fictional Findings

BY W. S. MILNE

"Mr. Emmanuel," by Louis Golding. Macmillan. \$2.50.

"Shanghai '37," by Vicki Baum. Translated by Basil Creighton. Doubleday, Doran. \$3.00.

POSSIBLY I am too susceptible to a sentimental appeal, and will regret this afterwards, but "Mr. Emmanuel" completely captivated me. This elderly English Jew, with his kindness, his garrulity, his simplicity, his piety, his childlike belief in his fellow-man, his grasp of the fundamental deencies of things, is a very moving figure, and one that will stay long with the reader. He is a creation in which one completely believes, because one wants to believe that there are such people on the earth.

Mr. Emmanuel, recently retired, leaves his home in Magnolia street to help entertain some refugees from Germany, boys of non-Aryan descent. One of these, Bruno, whose Jewish father is dead, makes a strong appeal to the old man, who thinks of his own youngest son, killed in the war. Bruno has a deep sorrow, in spite of the kindness of his English friends: his mother has ceased to write to him. His letters to her have been returned. The refugee committee can find nothing of what has happened to her. At length the unhappy boy tries to drown himself. Mr. Emmanuel offers to go to Germany and discover why she does not write. It will only mean postponing his long-promised trip to Palestine, where his eldest son is now a prosperous milk-dealer. He cannot believe the Nazis will harm an old man, come far on such an errand, and besides, although he was born in Russia, has he not his English citizenship, and his new passport?

So the innocent goes forth on his sentimental journey. His experiences in Germany are not pleasant reading, but one sentence stands out: it is spoken by an "Aryan" in a railway carriage after Mr. Emmanuel escapes from prison. "Forgive us. It is not all of us," he says, and somehow one feels like cheering. The old man returns to England and Bruno with his quixotic quest accomplished. As we take leave of him, we forget he is a character in a book, and hope he may find the happiness he deserves in the new Palestine to which he is going.

This simple and beautiful story is one of the most moving things I have read for a long time, and Mr. Emmanuel will be loved by all men of good will, no matter what the shape of their noses.

Bombed Hotel

Three hundred thousand words is a lot of reading. That is the chief impression I have carried away from "Shanghai '37." Miss Baum's latest novel, but in fairness to the lady I must say that the job is competently done. She commences by telling us that one of the first bombs from the air during the Japanese bombardment

struck the Shanghai Hotel, and killed nine people. "In the following pages an account is given of the roads that led those nine people to Shanghai, of the course of their lives and of the hour of their death." The first two hundred and eighty pages is divided into nine sections, each telling one life story, complete up to arrival in Shanghai. Miss Baum, here as in "Grand Hotel", shows considerable inventiveness in her selection, and much ingenuity in criss-crossing the threads. One is dazzled by the competence with which she tackles such various backgrounds, of characters ranging from Chinese river-coolie to Iowa printer; Japanese aristocrat to Russian prostitute in Paris. It seems at first that she is Pearl Buck and Sinclair Lewis and Somerset Maugham all rolled into one. All the episodes ring true; more than that, they are so convincing as to seem familiar. And then one realizes: they are familiar because we have read them all before in other books; in other words, she is not creating character and environment, but making use of familiar material, already available in book form, just as a movie producer makes use of stock scenic backgrounds already recorded on film, and projected on a screen behind the actors, who have never left the studio.

Whatever her method, Miss Baum has a gift of words. Her characters are clear-cut and interesting. Whether it be the Chinese banker, his doctor son, the German refugee doctor, the degenerate German musician, the Russian wife of a titled Englishman, the Rickshaw coolie, the Iowa nurse, the American film salesman born in Hawaii, the Japanese journalist, or any one of the other dozens of characters, she leaves us with a picture clear enough to guide a casting director. Since she has already announced that her principal characters are all to be blown up at the end of the story, they take on a new dignity and significance, as if they were seen not as ordinary mortals, but as figures devoted by the gods to be the subject of an ironic jest. Lest the gentle reader, if any such be left, grieve too much over the fact that all are doomed, Miss Baum makes it fairly plain that few could give much justification for the continuance of their existence. Indeed, the bomb is a useful device for no matter how insoluble the problems that confront your characters, or how badly snarled their relationships, the end of life cancels all debts, and if X is a dopehead whose wife is unfaithful with Y who is to marry Z, a fact known to M, N and O, who have their own problems, and if A's justifiable murder of B is about to be found out, and if D is a sad disappointment to E, who is suffering from acute appendicitis, what of it? Blow them all up, and end with a bang!

On the whole, I found this one readable, but a bit rich. The best thing in the whole book for me was the episode concerning the rickshaw



LOUIS GOLDING

Author of "Mr. Emmanuel," reviewed this week.

coolie preparing for the visit of his boy scout son, and the meeting between them. The Japanese scenes were the dulllest, with the exception of the few scattered paragraphs in which this talented story-teller attempted to philosophise. The translator did an extraordinarily competent job.

Scholar's Struggle

"The Star-Gazer," by Zsolt von Harsanyi. Musson. \$2.50.

BY L. A. MacKAY

GALILEO was not a mild or patient man. His private life was boisterous, his public life tempestuous. He held his opinions with confident arrogance, and proclaimed them with vigorous and incisive eloquence. About him raged one of the bitterest controversies that divided the learned world of Renaissance Italy. Princes, spiritual and temporal were ranged on his side or against him. The most learned men of the whole civilized world were his correspondents.

Out of his struggle to supplant the dead weight of tradition and authority by the unfettered curiosity of science, Harsanyi has made a historical novel that rivals in dramatic interest any of the more obviously spectacular tales of conflict that centre round military or political figures of the past. With no clogging weight of archaeological detail, he manages to create in the reader an absorbing conviction of familiarity with the life of his characters. He does this not by the easy and sometimes rather tiresome device of reading the present back into the past; he is so thoroughly at home in the period that he takes it for granted, and so does the reader. We become Galileo's contemporary, rather than making him ours.

There have been few more exciting periods in European history than that covered by the life of Galileo, from 1564, the year of Michelangelo's death, to 1642, the year of Newton's birth; and in no part of Europe was the ferment of new ideas more active, or the struggle of the new with the old, more acute, than in Northern and Central Italy. Harsanyi handles with a sure touch the multitude of figures, historical and invented, that crowd the pages of this long book as Galileo moves from the stolid and reactionary University of Pisa to his brilliant success at the ancient University of Padua, where the Most Serene Republic of Venice combined (partly through hostility to the Jesuits) the utmost freedom of speculative thought with a stringent political control. Padua was the scene of Galileo's greatest triumphs; yet he was always eager to return to Florence, though this return exposed him ultimately to the hostility of the Inquisition, which saw in his doctrines a threat to the whole teaching and position of the Church.

Numerous as the characters are, their individuality is so clearly marked that there is no confusion; and though the problems Galileo faced, the discoveries he made, the theories he combated might be feared to seem remote, antiquated, and impersonal, they are presented with such direct and enthusiastic freshness that they engage and sustain the readers' interest continuously to the very end, where, in a brief scene especially interesting for English readers the lonely, blind, disease-racked old scientist meets one of his last visitors, a brilliant young bright-eyed confident English poet, John Milton.

28 of the Best

"The Horse That Could Whistle 'Dixie,'" by Jerome Weidman. Musson. \$2.50.

BY G. W. HICKS

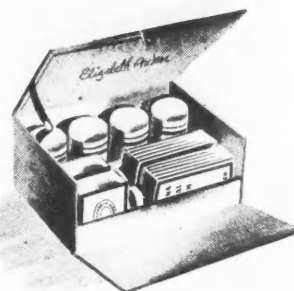
NOT so long ago the report was current that the publishers had withdrawn from sale Jerome Weidman's first two novels "I Can Get It For You Wholesale" and "What's In It For Me?" The circumstances were unusual: both books had received unstinted praise from critics who ranked the 26-year-old author with the top-flight "I-Talk-Out-Of-The-Corner-Of-My-Mouth" writers and predicted a great future for him. Weidman created Harry Bogen, tee-ed him up sky-high on a pinnacle of filthy success in the first book and three-quarters of the second—"What's In It For Me?"—and then polished him off. In the process Weidman made of his Jewish hero such an unbearable snide that there was danger of a tidal wave of anti-Semitism, despite the fact that the author, himself a Galician Jew and discriminating readers regarded the super-villainous Bogen as a deliber-

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ately horrendous example. Most recent report is that the publishers have denied the complete withdrawal of Weidman's first two efforts. They claim that fully 100 copies of the books are being sold per month.

In "The Horse That Could Whistle 'Dixie'" the publishers have gathered together twenty-eight of Weidman's short stories from over a dozen different sources. Most of the stories deal with New York's East Side where the author grew up. Before the last has been finished the reader has been made acquainted with at least four of Harry Bogen's first cousins—one female—and one more "heel" who could pass for his full brother seven ways from Sunday. Best of the collection is "All I Survey" the story of a woman with a tubercular husband who makes a difficult decision

between her future and his life. The title story is the study of a fat brute who repeatedly forces his fear-palsied small son to ride on a pony-go-round while a crowd watches, angry but impotent. It's a minor masterpiece, but as aggravating as sand in spinach. Fully 20 of the collected stories will add nothing to Weidman's reputation; of the remainder, several should find their way into anthologies. All have the Weidman stamp upon them, and the most satisfying reader revelation in the book is that the Weidman sympathy and perception can be as broad and understanding as the Weidman satire is acid. However, it's still an odds-on bet that the author doesn't use his fingers to type: chances are that he employs his thumb in a gouging motion, all the while swinging his feet in a kick-in-the-face action.



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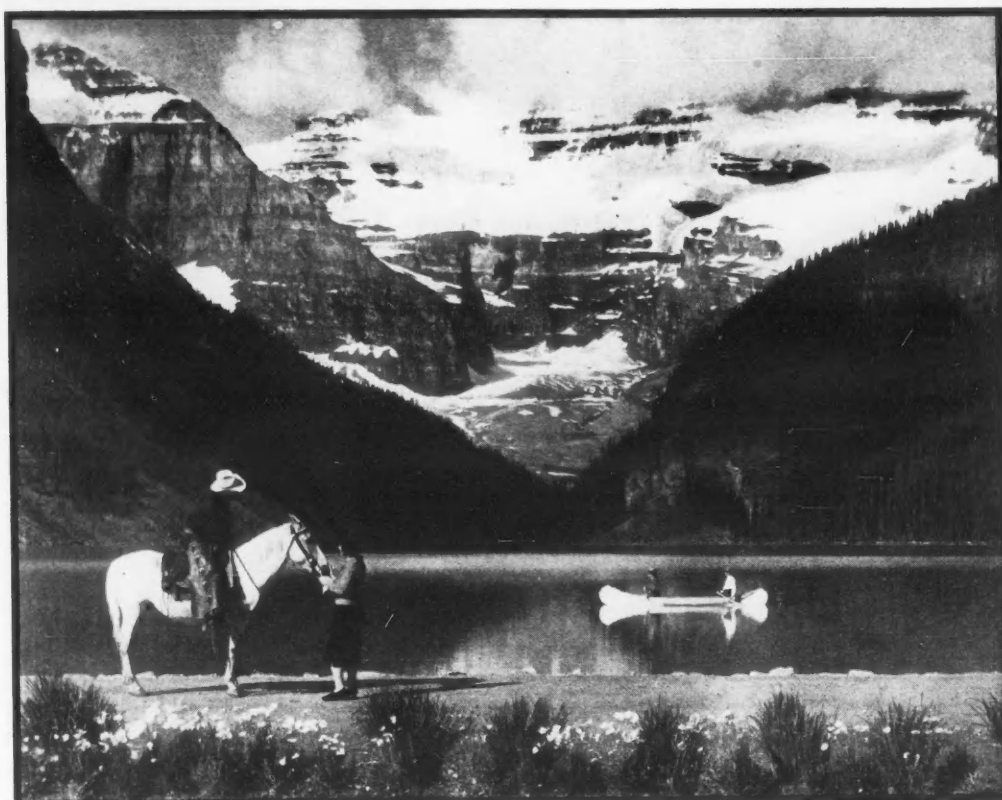
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THE SERENE BEAUTY of lovely Lake Louise, gem of the Canadian Rockies. Brilliant poppies fringe the lake which reflects in its placid surface the glory of the surrounding peaks.

—Photo courtesy Canadian Pacific Railway.

PORTS OF CALL

There's Nothing Like the Canadian Rockies

WHETHER you approach Banff and Lake Louise from the East or from the Pacific Coast, these Alpine resorts in the Canadian Rockies come as a fitting climax to scenery which is a succession of wondrous thrills. In addition to Banff and Lake Louise other never-to-be-forgotten highlights are The Great Divide, Lake Wapta with its lodge, Lake O'Hara, Emerald Lake and the motor tour from Lake Louise to the Columbia Icefield and all this the cream of the Canadian Rockies is concentrated in an area of about sixty miles.

The prairie Indians called the Canadian Rockies "The Glittering Mountains," from the white-capped peaks that caught the eye a hundred miles away. No sooner does your train from either direction enter the Gap than you are flanked by lofty cliffs pierced by passes through which you get glimpses of hanging glaciers on the ridges behind.

The Banff railway station adjoins the wild game preserve of Buffalo Park and it is here that you detrain for the Banff Springs Hotel, which towers like a Scottish baronial castle above the falls of the Bow River. Banff itself lies in an amphitheatre of mountains, which have drawn so many hundred thousand visitors that facilities are now provided for every kind of sport or relaxation—golf, swimming, riding, tennis, fishing, climbing or hiking, not to mention dancing. The very air is electric and one has to be doing something the whole time.

Lake Louise is forty miles west of Banff, and a thousand feet higher above sea-level. With a glacier at its front door, reflected in one of the loveliest of Alpine lakes, and with its rock gardens, Lake Louise seems almost to have been dropped into fairyland. Everything is here that a popular mountain resort should have—swimming pool, ponies for riding, canoes for fishing, tennis courts, Swiss guides for the Alpine climber, trails for the hiker, and a dance orchestra. Both Banff and Lake Louise are out-fitting points for trail riding and camping trips.

The Kicking Horse

The approach from the Pacific Coast is by way of the Fraser Canyon and the deep gorges of Eagle Pass, Rogers Pass and the Kicking Horse Pass—nearly four hundred miles of superb mountain scenery. As an engineering feat, this section of the Can-

adian Pacific Railway is one of the wonders of the world. Ravines breaking through the northern wall of the Kicking Horse Pass provide access to two fascinating summer resorts—Emerald Lake and the Yoho Valley, a paradise of waterfalls.

Banff Springs Hotel with its 600 spacious rooms and 38 period suites, is a city by itself, set amidst nature's everlasting skyscrapers. Its colorful swimming pool and lovely terrace are

and the Brewster Cups, and this year two new trophies—the Banff Springs Trophy and the Lake Louise Trophy will be given for scratch play.

This year the Canadian Pacific Railway is giving away \$1000.00 in cash prizes for color photographs taken in Banff, Yoho and Kootenay National Parks provided the competitor is registered at Banff Springs Hotel, Chateau Lake Louise, Emerald Lake Chalet, or any of the Canadian Pacific Lodges in the Canadian Rockies.



AT EMERALD LAKE the visitor to the Canadian Rockies gets a bit off the beaten trail and enjoys to the full the majesty of the world's most thrilling mountain scenery. —Photo courtesy Canadian Pacific Railway.

just outside your door, with the glorious Bow Valley stretching out before your eyes. In everything Banff is "top of the world." The world at Banff is literally at your feet—a glorious setting indeed for rest and play and withal splashed with Alpine sunshine, allied with invigorating mountain air.

The Banff Springs Hotel golf course is known the world over and one plays on a perfect championship course a mile high, surrounded by snow-capped peaks and fragrant spruce forests. Each hole is a distinct thrill. Banff Golf week is held this year from August 21 to August 26 and is one of Canada's major sporting events. It is a brilliant tournament week and players compete for the Edward, Prince of Wales Trophy, the Willingdon Trophy, the Associated Screen News

Lovely Louise

Now we come to that gem of this mountain territory—Lake Louise—made famous in picture, song and verse. The great white wings of Chateau Lake Louise flank the shores of this lake among the clouds. Brilliant poppies and mountain flowers bloom in its terraced gardens, and massive peaks and the gleaming Victoria Glacier are mirrored in its blue smooth depths. Here is life at its most colorful—blazing sunsets, purple peaks and cool green forests and right before your eyes is a panorama of snowy heights—Mount Victoria, Mount Lefroy and Mount Aberdeen.

From Lake Louise the visitor must certainly visit by automobile and saddle horse the Columbia Icefield over the New Columbia Icefield Highway which will soon join Lake Louise and Jasper and which embraces that vast section between these two points, previously accessible only by pack-train and at considerable cost.

It includes a region, which has for many years fascinated the skilled mountaineer in search of new thrills, and in which still remain many unnamed and unclimbed peaks. Here twisting active glaciers descend the valleys to points close to the main highway and are of special interest, not only to the photographer and geologist, but to all who are privileged to visit this new wonderland. The myriads of wild flowers which bloom in profusion in these alpine valleys and upon the mountain sides are a joy to all nature lovers, who penetrate this new tourist paradise. Wild life is abundant, and big game, such as Rocky Mountain sheep and goat, moose, elk, deer and bear are frequently seen.

A bi-weekly service between Lake Louise and Jasper started this year on July 11 over this highway; the journey being broken at Brewster's Camp which is halfway. The return mileage is 298. Leaving Lake Louise every Monday and Thursday, you stay the

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night at Brewster's Camp and reach Jasper the following day at 5.00 p.m. Motor cars are used from Lake Louise and Jasper while saddle horses, in charge of competent guides, are used for the incompleting 28 miles of the new road in which is situated Brewster's Camp and from which camp many interesting side trips can be made, which offer excellent fishing possibilities, and opportunities for mountain climbing, as well as Big Game hunting in the Fall.

Here is a drive unsurpassed in America. Every mile is spectacularly scenic, dotted with mighty peaks and amazing glaciers. At 11,000 feet elevation you will see fields of ice that have been packed in these valleys for ages. Also Mount Hector, Crowfoot and Bow glaciers, Howe Peak, Bow and Waterfall Lakes, Mount Murchison, Peyto Glacier, etc. There is variety at every turn and you will marvel at the smooth, modern road being completed in this great unhealed of high peaks and deep valleys, mighty glaciers and majestic forests that are the haunt of deer, moose and bear.

In Yoho National Park is situated a perfect hideaway that will intrigue you with its Alpine charm. It is Emerald Lake Chalet with its rustic deep comfortable lodges nestled around it each with private bath. The chalet is delightfully managed by

Mrs. E. M. Jackson, a charming hostess and is indeed a home from home. Tucked away in secluded lake-studded regions are those four havens of informal life—Lake O'Hara, Lake Wapta, Moraine Lake and Yoho Valley lodges. Here in cozy cabins you live a rustic life amid civilized comforts, with central lodges for delightful meals and happy gatherings and the fishing in the lakes and streams stocked with mountain fish is an attraction which has drawn fishermen from many parts of the continent.

The Men Behind

No story of the Canadian Rockies would be complete without reference to the three men who have worked unceasingly at all times to make this mountain paradise known to the tourist and world traveler as an all-the-year-round resort. They are the one and only Jim Brewster, who on their recent visit to Banff, Alta., took Their Majesties The King and Queen for a drive in an old fashioned buggy; J. Murray Gibbon, Montreal general publicity agent, Canadian Pacific Railway, noted historian, publicist and author and founder of both the Trail Riders and Trail Hikers of the Canadian Rockies, and Dan McCowan, of Banff, famed naturalist and lecturer and this year's president of the Trail Riders of the Canadian Rockies.



ON THE WAY TO THE COLUMBIA ICEFIELDS, between Lake Louise and Jasper. This thrilling highway through the continent's most magnificent scenery is not yet completed, but travelers are making the trip this year, utilizing horses for the central portion still under construction. It is a new high spot in mountain vacationing. —Photo courtesy Canadian Pacific Railway.

House That Heracles Built

BY JAMES HARLEY

RECENTLY the London evening papers announced laconically that "Imperial Airways had moved into their new headquarters in Buckingham Palace Road."

With a number of other newspapermen I went down to look at the place. Our cabby took us through the grounds of Buckingham Palace, past Victoria Station and down Buckingham Palace Road. We stopped outside one of the most imposing structures that has been built in London in the past ten years.

It is of white stone, has a frontage of 500 ft., and a central tower, modern, massive and London's nearest approach to a sky-scraper. They say that it is the largest terminus and headquarters owned by a private air transport company anywhere in the world. It is certainly the most interesting.

The administrative offices are on the upper floors of the main building and in the tower itself. The offices of the Chairman and other executives are on the fourth floor; the Conference room, Director's Boardroom and Director's Lunch-room are in the tower immediately above.

On the ground floor, in addition to the main Booking Hall are taxi rank, coach station and a private railway platform enabling three types of vehicles—cars, buses and trains—to enter and leave the premises at the same time without getting in each other's way.

The taxis bring the passengers to the building; the coaches convey them to Croydon for the European services, and special trains from the private platform take them to Southampton for the Empire services to Egypt, Africa, India, Australia and the Far East. Atlantic and Tasman Sea services planned to commence operations sometime this year will be extensions to these services so that in the near future a passenger will be able to embark upon a journey from the new terminus that will take him completely around the world by British air services and bring him to his point of departure in an incredibly short space of time.

In Twenty Years

Among the newspapermen in our party was a not-even-elderly gentleman who had been mixed up in aeronautical journalism for the past 20 years. As he entered the stately Booking Hall he took off his hat, and I thought for a moment that he was actually going to kneel down.

"It's incredible," he said, "Twenty years ago the only building owned by a commercial airline in England was a two by four wooden shack on an untidy field at Croydon. The Company owned two aeroplanes. They ran one service a day to Paris when the weather was fine and none at all if it was raining."

"Each aircraft had accommodation for two passengers. They sat facing each other, huddled up in a tiny cabin with scarcely enough room to expand their chests."

"In 20 years that shack has grown into—the looked with pious eyes at the massive pillars—into this."

Then he made this cryptic remark: "I wish that Heracles could see the house she has built."

Even my rudimentary knowledge of the classics was shocked by this appalling confusion of the sexes. "Heracles," I said, "was not a lady and his twelve labors did not include building houses in Buckingham Palace Road."

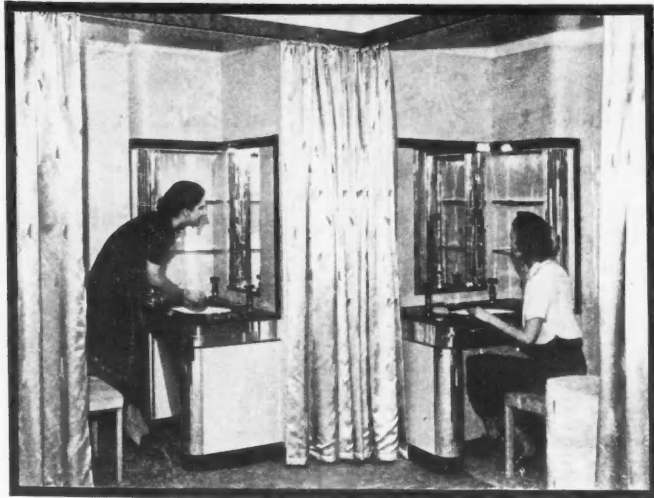
Then he explained.

"I am speaking of Heracles, the aircraft," he said, "not Hercules the slayer of lions and cleanser of Augean stables."

Grand Old Lady

Heracles it seems is a famous Imperial Airways airliner, known to Fleet Street as 'the Grand Old Lady of the Air.' Having served on the Company's European routes with amazing consistency for the past seven years, she has just retired.

It is my friend's belief that she has done more to make the British public air-minded than any other aircraft in the Imperial fleet. Literally thou-



IMPERIAL AIRWAYS' new terminus in London has been designed to give every comfort and convenience to passengers using the Empire airways. Here is a corner of the ladies' room, panelled in sycamore and cherry mahogany; each cubicle is fitted with dressing table, full length mirror and wash basin, the whole enclosed with shaded satin curtains to give complete privacy.

sands of travelers have made their first flight in her spacious cabins, and she is now probably the best known airliner in the world. She has travelled a million and a quarter miles and carried over a quarter of a million passengers.

Day in and day out for seven years she has crossed the Channel from one capital to the other without injuring a single one of her passengers or crew, spreading the gospel that

travel by air is fast and comfortable, and safe.

In all the progress that has taken place in British civil aviation in the past seven years there is no figure that stands out more conspicuously than that of this 'Grand Old Lady,' and it is this thought, no doubt, which prompted my friend to refer to the magnificent building in Buckingham Palace Road as 'the house that Heracles has built.'

THE CAMERA

Double Readings With the Meter

BY "JAY"

I AM writing this from the ancient city of Halifax, where I have found more excuses to use my camera than I have in any other part of this country. We were fortunate enough to arrive here whilst Sir Wylie Grier was busily engaged in the important work of the restoration of the pictures in the interior of the old Province House, built in the years 1811 to 1819.

I took quite a number of pictures of Sir Wylie at work and of the work he has finished, and I found that these subjects presented certain exposure problems which my meter did not seem to answer. One picture was of the "Royal Room," and I wanted to show the two thrones recently used by King George and Queen Elizabeth, and at the same time bring out the details of the two pictures behind the respective thrones. My lighting was from the windows to the left and two windows which faced the camera. It was impossible to take a reading from the camera's position so I went forward to the point where my meter was not affected by the two facing windows and took my reading from this point. Then I went to the side windows and took a reading of the wall immediately opposite and to the right of the thrones. I added the two readings together and divided by one-half and gave this exposure which was 1 1/2 minutes at f32. The resulting negative will make an exceptionally fine print and other exposures which I had to make, using the same procedure, have yielded negatives that are quite satisfactory.

I have dwelt at length on this subject because I find that many amateurs are bewildered by a facing light and I think that if this method is adopted a printable negative is almost a certainty.

Camera Manners

While in Halifax we were privileged through the kind permission of D.O.C. commanding Military District No. 6 to photograph the defences from the time of the residency of the Duke of Kent (Queen Victoria's father) to the present day. Here again we met with problems; namely, how to take a picture without revealing certain mil-

itary strength such as the number of guns in any one location. If one is sincere in a request of this nature, little if any difficulty will be found, but the request given in turn by those in authority must be with all honesty adhered to. We were told that we could photograph any one gun of the latest type, but one and one only could appear in our negative. From an eye-level, this was difficult, and so I took a worm's-eye-view, shooting at the one gun only and eliminating the others. My sincerity was rewarded by the invitation to photograph still another gun in the same battery.

I have seen amateurs in more or less restricted areas using their cameras with very definite indiscretion, and I do not think it is fair to do this, since it not only causes embarrassment to the authorities but also brings about a ban, denying others the right to the same privilege. In dock-yards, naval, military and air force areas, in certain industries, civilian airports, and in private estates open to the public on certain occasions, a very definite restraint on the part of the amateur should be exercised. I will go still further and say that amateurs enjoying the so-called sport of slumming should think twice before they embarrass local people with their candid cameras. So far on this tour I have photographed for SATURDAY NIGHT and for my lecture of next season very nearly fifty different subjects and perhaps some five hundred negatives have been taken, but there is not one single negative that will cause the slightest embarrassment to any man or woman, and I regret to say that there have been a number of occasions when I have felt like taking the law in my own hands and knocking the camera out of the hands of some thoughtless amateur—no, not amateur, record-taker peculiar to a certain type of tourist.

Training for Journalism

The following letter which I quote verbatim, was waiting for me when I arrived here in Halifax:

"Dear Jay: I heard your lecture in Vancouver in the Fall of 1937, and I heard you again in Baddeck a few days ago. On each occasion I was impressed by your reference to camera journalism, and the part it is playing in news dissemination, and also in telling to readers of certain magazines the stories of the different peoples in the world. I have a son just leaving High School. He does not want to go to university and is a keen photographer. In fact, last Christmas, I gave him a copy of your book, 'Camera Conversation'. Coupled with his apparent enthusiasm for picture-taking is a certain ability to express on paper those things which interest him. Do you think there is a future for my son as a camera journalist, and if so, is there a school that he can attend to obtain the necessary professional technique? I would appreciate your answer to this letter, or, if you like, I will meet you in Toronto in the early Fall on my way back to Vancouver."

This letter interests me greatly, and while I know the answer will be read by the sender, I also hope it will be read by the many many people who have asked a similar question after some of my lectures. There is, very definitely, a future in camera journalism. The introduction and the amazing popularity in recent years of



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ART AND ARTISTS

New Lines in Art Education

BY GRAHAM McINNES

CAN you teach "Art?" The difference in approach between the stolid schoolmen of the academic era and the apostles of self-expression is very great. Each of them can claim some success, but the question still remains, is it possible to teach to people good taste and an understanding of the basic principles of fine art? You might go further. Is it possible to teach them so that they in turn will be able to teach others? Is it possible to corral and disseminate such very abstract qualities as good taste, appreciation of form and so on? This question is of more than academic interest to us here, not only because of the tremendous awakening of education to art in the last twenty years, but more especially because of the new courses of study in art which have been launched by the Department of Education of the Province of Ontario.

To art lovers, government interest in art is usually suspect. An institution like WPA may be productive of some fine art, but is bound to produce much mediocre work. Picasso to the Soviets was first a leader of revolt, then a bourgeois monstrosity. But when the government, through the Department of Education, entrusts courses in art, craftsmanship and their appreciation to sensitive professionals, the results are usually happy. A year ago the first Summer Course in art was held at the Central Technical School in Toronto. It was a great success, and is being held again this year under the direction of Professor E. J. G. Alford, assisted by Mr. Peter Haworth. The course is divided into two sections, elementary and intermediate, and is directed mainly to the teachers from the public, high and continuation schools throughout the Province.

Over 350 students from all parts of Ontario are taking the course, which has been extensively revised to meet the changing conditions of modern life. The teacher who can draw a nice ellipse, or who, in the words of the syllabus, pays attention less to "creative ability" than to "reproductive accuracy," has no place here. The spirit and the atmosphere of the school at Central Tech. are those of freedom and self-expression, but with a solid attention to crafts and media as a counterpoise to mere exuberance.

In the elementary section, emphasis is almost entirely placed on a personal creative approach, with free expression in a variety of media and crafts; but the more advanced groups

pay considerable attention to technique and art history as well. This varied approach has produced an eagerness and enthusiasm among the teachers which certainly promises well for the success of the new teaching when the schools re-open. Teachers who spend their time doing creative drawing and design, modelling plastics and pottery, staging puppet shows and working with their hands in wood, metal and textiles, are not going to be too much in awe of dates, names and ellipses when it comes to passing on what they have learned. On the aesthetic side there are lectures on the meaning of art and its history, architecture and decoration, supplemented by visits to the Museum and the Art Gallery. All this means that Ontario, by this fall, will have a nucleus of teachers whose attitude to art-and-education will be that, not of the pedagogue, but of the educator in the best sense—in other words, the "leader out" of the best in his pupils. In this way, fine art becomes a natural part of every child's background; and the hope is, of course, that as he grows, he will rebel against what is cheap and ugly, and so we will be one step nearer the more abundant life. It's a fine hope to have, anyway, and the Department of Education is to be thanked for giving it to us.

Canadian Group

The Canadian Group of Painters has elected the following officers for the season 1939-40. President: Miss Isabel McLaughlin, Toronto; Vice-presidents: Miss Anne Savage, Montreal; Carl Schaefer, Toronto; Secretary: Charles Comfort, Toronto; Treasurer: George Pepper, Toronto; Executives: A. Y. Jackson, Mrs. Yvonne McKague Housner and A. J. Casson of Toronto.

TRAVELERS

Sir Ernest and Lady MacMillan have left Toronto for Philadelphia where Sir Ernest will conduct the Philadelphia Orchestra in three of the Robin Hood Dell concerts. Later they will spend a week at the Berkshire Symphonic Festival, Stockbridge, Mass.

Air Marshal W. A. Bishop, V.C., D.S.O., M.C., D.F.C., Mrs. Bishop and their son, Mr. Arthur Bishop, left Montreal recently by plane for the Pacific Coast.



SHE DOESN'T KNOW she is being weighed. Concealed scales are a feature of the booking hall in Imperial Airways' new terminus, recently opened in London. The hall is panelled throughout in Canadian figured birch.

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AMONG THOSE PRESENT

BY BERNICE COFFEY

THEIR Excellencies the Governor-General and the Lady Tweedsmuir, accompanied by Miss Anna Buchan, Mr. Walter Buchan and the Hon. Alastair Buchan, and attended by Lieut. Robin Scott, R. N., have left Quebec for Churchill, Man. Their Excellencies will visit Le Pas, Jasper and the Peace River district before returning to Ottawa on August 22nd.

At Calgary

Mrs. W. A. Bishop, of Montreal, who with her husband, Air-Marshall Bishop, V.C., is on a trip to the Pacific

Coast, was the guest of honor at a luncheon party at the Palliser Hotel in Calgary a few days ago, the hostess being Mrs. E. G. Fullerton.

By the Sea

Mr. Allan MacKay and Mr. Donald Q. Coster, of Montreal, spent the week-end at The Algonquin Hotel, St. Andrews-by-the-Sea. Mrs. Robert Loring entertained at dinner in their honor on Saturday, at the Algonquin Hotel, the party later attending the dance at the Casino.

Prior to the dance at the Casino, a dinner party of ten "not-outs" was given by Miss Olive Hosmer at the Algonquin Hotel, for her guest, Miss Rosemary Manning, of Brockville.

Christening

An interesting ceremony took place quietly at All Saints' church, Winnipeg, when Rev. D. L. Green officiated at the christening of the infant son of Mr. and Mrs. Ronald Riley, of Toronto. The little boy received the name of Jeremy Montagu. He is the grandson of Mr. and Mrs. George Montagu Black, of Winnipeg.

At Regatta

His Honor the Lieutenant-Governor and Mrs. Matthews, accompanied by Major and Mrs. Bruce Matthews, were guests of Mr. and Mrs. C. J. Hamlin at their residence on Governor's Island following the international speed races of the Muskoka Lakes Association regatta on Saturday, Aug. 5.

In Ottawa

Sir Gerald and Lady Campbell entertained at a farewell dinner in honor of Mr. and Mrs. Stephen Holmes who are returning to England.

Air Marshal Entertained

Masses of summer blossoms in vivid colorings decorated the officers' mess at Jericho, Vancouver, when officers of the Royal Canadian Air Force entertained in the late afternoon in honor of Air Marshal W. A. Bishop, V.C., and Mrs. Bishop. Guests were received by Group-Captain and Mrs. G. O. Johnston and Squadron-Leader



MISS MARJORIE PATRICIA NORTHEY, daughter of Mr. and Mrs. James Alexander Northey of Toronto, whose engagement to Mr. Einar V. Rehnitz, son of the late Mrs. Charles S. Hyman and the late Mr. Einar Rehnitz, of London, Ont., has been announced. The marriage will take place at St. George's United Church, September 16.

—Photograph by Ashley & Crippen.

and Mrs. A. H. Hull, and the tea table, centred with pastel-toned sweet peas and snapdragon, was presided over by Mrs. G. R. Mercer.

Mrs. Bishop was guest of honor in Victoria recently when Mrs. G. R. Turner entertained at luncheon.

Vancouver Guests

Sir Charles and Lady Tupper, of Winnipeg, entertained informally at a late afternoon party in honor of Mr. and Mrs. Allan Crawley, of Vancouver.

TRAVELERS

Commander and Mrs. John W. Roper of Annapolis, and their little daughter Margaret, are expected in Ottawa shortly to visit the Commander's parents, the United States Minister to Canada and Mrs. Daniel Roper.

Mrs. J. D. Fraser who, with her daughter Miss Joan Fraser, has been in England for the past six weeks, has returned to Ottawa. Miss Joan Fraser, who has been in England for the past year, accompanied Lady Clark to Italy and will remain there for a few weeks.

ACROSS THE POND

Countess Doesn't Like "Them"

BY MARY GOLDIE

THE last meeting of the Canadian Women's Club for the season is always well attended, not only because there is usually some guest of note present, but because this is the favored time for Canadians to visit England. I am glad to see that they are still coming to the Old Country, despite alarms and international situations, and it is a fact that there are a good many from Canada in London at the present time. A special treat was their good fortune at this meeting, since the guest of honor was Princess Alice, Countess of Athlone. Her Royal Highness, having been introduced by Lady Bessborough, spoke to us in a most natural, sweet and simple manner and quite won every heart. She is a most beloved member of the Royal Family, with a distinctive charm.

Small, slight, grey-haired and with a lovely face, the Countess of Athlone is the very essence of charming English womanhood. She spoke first of the interesting fact that she and her husband had been actually preparing to go to Canada where the Earl of Athlone (who is Queen Mary's brother) was to become Governor-General, when the shadows of 1914 changed their plans and he went, instead, to serve his country at the War. She spoke of the visit of the King and Queen to Canada and said that at the same time she and her husband had had a similar, though less important, type of experience in Iran where they had gone to attend the wedding of the King's son. There, in that far corner of the world, they were warmly received and welcomed and able to get a new perspective of European troubles. She spoke of the harm being done in the world today by rumours, and derided the inevitable "They," those mysterious, unknown personalities who wield such influence on every life. She spoke with pleasure of the work which she did in the War among Canadian soldiers. She said that, although she had never been to Canada herself, Canada had a warm place in her affections. An added pleasure was the short address made by Mr. Leonard Brockington of Winnipeg and Ottawa, head of the Canadian Broadcasting Corporation, who is in England at the present time.

There were many notable people at the head table, people either Canadians or having some connection with Canada. Sir Frederick Williams-Taylor was there, recently arrived from Nassau and Montreal. Others were Mr. and Mrs. Massey, Lady Dashwood, Mr. R. B. Bennett, Lady Lever, Lady Donegal, Mr. Brockington and the Marquess and Marchion-

ess of Willingdon. The two latter arrived rather late and tried quietly to settle themselves at one of the small tables near the door. But they were discovered and took their places at the head table, causing some little disturbance in the seating arrangements. But the time of confusion was spent by the Marquess of Willingdon in greeting his many friends at the table! It was an interesting meeting and one which I am sure all visiting and resident Canadians enjoyed.

On Beating Women

The large and beautiful reception room in the home of Mr. and Mrs. Massey was filled with Canadians, too, at a reception which they gave this past week. I saw many familiar faces but, alas, far too many unfamiliar ones. Some of the members of the Canadian team to Bisle were there and I was talking for awhile to one of them from Calgary. He was the recipient of many jibes about being beaten by a woman (Miss Marjorie Foster of England came next to the winner of the competition) but his reply was that although he had once or twice been beaten in this way, he himself had beaten so many women that he thought the honors were about even. I dare say he didn't mean this remark to be taken literally!

Mr. Gordon Perry of Toronto was at the reception. He has been in London for a week or two on business and intends sailing for home this coming week. He was among the many Canadians who, yesterday, put on their very best clothes to attend the Royal Garden Party, only to find that it had been cancelled at the last moment owing to bad weather. Never has it rained so heavily in England. Some of the guests had already reached the Palace before it was decided to cancel the Party, and they were given tea in one of the salons. But the beautiful gardens, and the marquees erected for the purpose, were drenched and dripping and sodden with rain. The newspaper pictures of the few people who did reach the grounds, are desolate and sad. It was a bitter disappointment for many hundreds of people here from the Dominions and the Colonies.

Many members of the Canadian Chamber of Commerce were present at Mr. and Mrs. Massey's reception. They are here to attend the meetings of the British Empire Chambers of Commerce and are having a busy time.

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Announcements

ENGAGEMENTS

His Honor Judge Tudhope of Brockville announces the engagement of his daughter, Jean Melville, to Paul Mortimer Fenton, son of Mrs. Wakefield Fenton of St. John, New Brunswick. The wedding to take place in November in Georgetown, British Guiana.

Mr. and Mrs. James Alexander Northey announce the engagement of their daughter, Marjorie Patricia, to Mr. Einar V. Rehnitz, son of the late Mrs. Charles S. Hyman and the late Mr. Einar Rehnitz, of London, Ont., the marriage to take place at St. George's United Church, Sept. 16th.

CONCERNING FOOD

"I'll Take It Plain And Straight"

THIS is the time of year when food must be simple and usually cold. Hide the pastry tube, put the bottles of artificial coloring in cold storage until it again seems funny, and not silly, to drink a colored cocktail. Concentrate on fresh plain food. If you are living in town buy little and often, and if in the country don't grudge that mild attack of sunstroke you got picking the peas and beans yourself for dinner. Fresh food is still fresh food in spite of that miracle the refrigerator, and owing to the type of winter Canada enjoys—or does she?—here are the months when you can get it without benefit of the Californian refrigerator car.

Ever so often we all revolt against fancy things. That is what takes us out camping and eating, with enjoyment, partially smoked dishes. Mr. Oden Nash, that pithy poet, puts the case plainly against fancy canapés—

"Do not hand me that plate filled with olives unripe and overripe, Anchovies whether curled or uncurled. I have concluded not to abide, Kindly mail all those salted peanuts and almonds to the Collector of Internal Revenue,

As well as all the little heart shaped sandwiches filled with squashy stuff that when you pick them up they squirt out at the side,

Maybe somewhere there is somebody who would like the stuffed eggs and the diminutive frankfurters, Or who could look the stuffed celery in the eye and voluntarily chew it, Maybe there is a Chinaman in China who would care for that slab of fumigated salmon

And that thing whatever it is all rolled up with a toothpick sticking through it.

Gadgets with cocktails to you my dear Mrs. Marshmallow, Gadgets with cocktails to you Mrs. Rodney St. Rodney, Gadgets with cocktails to you and all other hostesses And I'll take some bread and butter and a slice of rare roast beef."

"For Three Hours"

All of which brings us round to the fact that this is the season of long cold drinks, and it is better to depend on the cleverness of the biscuit manufacturers than to go fussing around

BY CYNTHIA BROWN

with your own inventions. Summer appetites shouldn't be blunted with fancy canapés. If they are good outdoor appetites the caviare bill is too high, and if they are little city darlings save them for the meal itself. Just stock up your shelves with four or five varieties of the biscuit makers' solution of the bite with the drink, and here are a few recipes mostly for cold dishes to follow.

Of course we can't dispense completely with tins in the search for fresh food for that would cut out that hot weather stand-by, tomato juice. Tinned consommé jells elegantly in the refrigerator, and those old fashioned days of adding gelatine and a little prayer are gone. Of course there still are those good cooks who make their own and think nothing of the smell, and of those frightening words, "Simmer for three hours."

Have you a friend who may send you some fresh trout? Of course there are all sorts of streams and lakes and fishmongers where trout abound but the finest come from those ice cold mountain lakes in the Laurentians. It is almost impossible to do them wrong but for a change dip them in milk, season them well with salt and pepper, roll them in flour and fry them in olive oil until they are brown on both sides. Then split them, remove the backbone and pop in its place a crisp hot piece of bacon.

Cold Boiled Chicken

Before I took an intimate interest in cooking, except for the eating end of it, we had a cook who turned out the most beautiful cold boiled chicken. Sue was a Yorkshire woman, so when I found a recipe for cold boiled chicken in one of my very favorite cook books, whose author said she had had this dish in Yorkshire, I sprang to the chicken shop, and it tastes like the very same animal. Highly recommended for dinner on a hot night and grand for lunch or supper, or in fact any time including that refrigerator snack time.

Take a roasting chicken and tie it up as if you were going to roast it and then put it in a deep pan just covered with warm water. Add some little new onions, small carrots, parsley, celery, the inevitable bay leaf and boil until it is tender. Leave it to cool in its own water and then drain it well

and skin all the parts you can. Make a sauce with five tablespoons of butter and the same amount of flour and salt and pepper, half a cup of chicken broth and two cups of thin cream, or thick milk. Stir until the sauce thickens and then leave in the double boiler. Soak one and a half tablespoonfuls of gelatine in a little cold water and then add it to the white sauce with a dash of lemon juice. When the sauce is lukewarm pour it over the chicken with a spoon dripping it on so the whole bird is well covered, and then put it in the refrigerator to chill. Decorate with parsley, carrots, lettuce, or what you will before serving.

The New Tomatoes

Fresh garden tomatoes are nearly here so don't forget this recipe when you get hold of your first big ones. Cut four large tomatoes in half and scoop out the centres, fry them very carefully without letting them lose their shape, and put them in a buttered baking dish. Sprinkle with salt and pepper and a very little onion juice and parsley. Break an egg into each half tomato, and sprinkle with grated cheese and breadcrumbs. Pour on a little olive oil and bake until the whites are set and the yolks soft.

Raspberries, those delectable berries, are plentiful this year. When, if ever, you tire of them plain with cream and sugar, try them this way. Whip some cream until it is very stiff and then put it in a sieve to drain. Put the raspberries through a sieve and sweeten the puree with fruit sugar. At the last moment mix the fruit with the cream. Surround the inner curve of a bowl with those innocuous little dry sponge biscuits called "ladies' fingers." Fill the centre



MRS. WILLIAM GOULD ARMSTRONG of Toronto who, before her marriage, was Miss Ruth Agnew, daughter of Mr. Robert Gordon Agnew, K.C., and Mrs. Agnew of Toronto.

—Photograph by Violet Keene.

with the fruit-cream, chill and serve. A glorified Charlotte Russe, see.

All French chefs seem to think that a cooked or fresh pear is the finest of bases for a grand sweet, so here is what you do when those succulent pears come on the market. Peel the pears, leaving on the stem; I don't know why, but do as you're told. Dip some cream and add to it sugar and aniseed, dip the halves of pear in the cream and lay them on a dish. Surround with more whipped cream in which has been mixed crushed burnt almonds.

Finally, a sweet for a warm evening that needs no cooking on a hot day.

Crème au Chocolat

3 eggs, beaten separately,
½ cup powdered sugar,
2 squares chocolate,
vanilla.

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Add the powdered sugar to the egg yolks, beat well. Now add the chocolate, which has been melted over hot water, then the stiffly beaten whites, and beat again. Place in individual custard cups or sherbet glasses and

let stand in the refrigerator for several hours before serving.

Admiral Byrd has just wangled a great deal of money out of Congress to go back to the frozen lands beyond the South Pole. Hi' ya, Admiral, need a cabin boy?

WORLD of WOMEN

We Cool Off Around The Shops

BY BERNICE COFFEY

WE DEFY the most doting parent to find a more charming setting for her infant darling than the "Moses Basket" we saw recently in the Seven Seas Shop (Eaton's). On our last census they had just two of these baskets. They are made of closely woven rushes left natural on the inside and dyed outside in either a delectable shade of Della Robbia pink or turquoise, with a floral design in colored raffia. Not only are they as light as thistle-down but handles at the sides make it easy for Nana to move the family treasure about. The pink one with the hood gets our vote (\$13.75) but the blue one, sans hood, is a honey too (\$9.75).

These clever women! For instance, Dorothy Thorpe—the California woman who has become one of the "big names" among connoisseurs of contemporary glass design. Her work is highly regarded in New York and now her fame has spread to Canada along with the arrival here of some of her pieces. The Californian influence is seen at work in her choice of motif of which her favorites are a single large eucalyptus or lotus sand-blasted into the underside of the glass through which it shows frostily.

Lucite Arrives

Apparently D. Thorpe is among the first to appreciate the decorative possibilities of Lucite (the new glass-like plastic, you know, which transmits light around its curves). You will find it on a glass tray decorated with the favorite lotus motif, and having a gallery made of a slender tube of Lucite twisted at either side to make a handle. A most distinguished and unusual piece (\$26.50).

Of all the Dorothy Thorpe things we saw, though, for our money we'll take the large double-sided mirror which looks as though it might have been a "prop" used by the beautiful princess in Hans Christian Andersen's fairy tales. The mirror, about 9" by 7" is framed with a tube of Lucite, slightly bubbled, which also forms the most enchanting twisty swirled handle. Lacking the boudoir of a beautiful princess, we'll settle for a very smart powder-room as its ultimate setting—or the dressing table of the season's most beautiful debutant. An arrogantly beautiful piece of frivolity (\$35.00).

Also at the Seven Seas Shop, an interesting group of enamelled gadgets of both decorative and practical use—such as a photograph case that holds two pictures and looks like a

flat compact when closed . . . and several Kenday cigarette boxes, square or cylindrical, in Pompeian pink enamel finish and containing humidifiers. These come with matching ash-trays to lend an air to the dressing table (from \$6.75 to \$8.75).

The Garden Grows

For a small gift to charm the hostess of the week-end who has a garden, we know of nothing more fitting than those seed packets which can be found at Birks-Ellis-Ryrie. These come in six miniature books concealing between their covers twenty-four packages of California annuals which we are assured "will grow anywhere." The title of each volume is a clue to the seeds it contains (\$1.50).

As a pretty gesture toward the person who has not a garden but loves flowers and likes to see them grow, there is another open-faced box holding four tiny tin-foil flower pots. These contain the seeds of ten plants which, it is promised, will begin to sprout shortly after the bottoms of the containers have been pierced and put in water. When they have grown a bit they are put in larger pots. And there you are with a row of ten thriving California annuals thriving nicely, thank you (75 cents).

About the Neck

Notes on neckwear that will blossom on Fall frocks: Pique leads and is self-trimmed or trimmed with repousse, with Point Venice, with embroidered georgette and embroidered with cotton or linen piping. Busters, V-necks of course with cuffs to match, in all fabrics are classics but the fitted plastron beautifully cut to give a long line from neck to belt and a "pinched-in-waist" look, is new and comes in a great variety of treatments.

There are beautiful revers in starched or lacquered repousse. There are sweet little yokes, square and pointed, of Duchess lace, lots of real Alençon and some Princess and Duchess combined, real Valenciennes and Irish crochet edge many of the revers and collars. Cuffs are made to fit short or long sleeves.

Bengaline and faille are Fall favorites for neckwear. There is a little satin and there are taffeta ruffled collars and full three-quarter bishop sleeves with wrist frills that are to put on over a sleeve or with short sleeves to give a new juvenile look to a plain dress.

OVERHEARD in the Kitchen



"You Can't Hear a Sound" . . . "That's Because There Are No Moving Parts"

WHEN the topic comes up—and it so often does—all that you will ever hear in a kitchen served by an Electrolux gas refrigerator are favourable comments. It's the GAS refrigerator that you hear about but never hear.

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Right! It's hard to imagine, but true. A tiny gas flame takes the place of all moving, wearing parts. It is a miracle refrigerator—see it for yourself, but you'll never hear it.

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"It's So Economical to Own . . ."

Right, once more! There's a new low cash price. Compare other refrigerators with the GAS refrigerator, and dollar for dollar, you'll find the GAS refrigerator comes out ahead. Low operating cost throughout its long life will give you more substantial savings.

Note These Features They Mean Much!



The adjustable cold storage tray gives extra storage space for ice cubes and bulky foods.



Easy-to-read indicator—your assurance that your food is being protected by the correct low temperature.



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SATURDAY NIGHT, The Canadian Illustrated Weekly

THE BACK PAGE

Coming Back

BY MARY QUAYLE INNIS

IT APPEARED, long before the train stopped at Laurel Junction, that there was no dining car. The children had remembered for a whole year the exciting luncheon at white tables in a moving train, with ice water and finger bowls. They broke into unbelieving cries.

"There was one last year. It was a year ago today and there was one then."

"I know. But there isn't one today."

"What'll we do? I wish I had that piece of toast I didn't eat for breakfast."

"Won't there be a man with sandwiches in a basket?"

There was not.

Douglas went back to the comics at last and Robert stroked the hollow white sails of his new boat. Marian leaned her forehead against the pane to watch for rivers. She was afraid when the train crossed a bridge, the thrill of delicious fear shudder-

Father looked hurried and mysterious.

"Where were you? We were so scared."

"Oh, look! Oh goody!"

Hot dogs wrapped each in a paper napkin. Ice cream cones.

"We'll have to eat them first or they'll melt!" Eaten first the cones tasted twice as good.

BUT now, even before they had licked the last traces of mustard from their fingers, big raindrops began to stutter down the pane, each leaving behind it a line of tiny drops.

The stone ribs of the earth had worn through its green skin. The train was coming now into the country of grey rocks and black pines.

"This looks like it. We're coming close now. Look, I almost remember that big rock there where somebody made a fire."

"Not yet. It's another hour."

"A whole hour? How can it be! Why, I remember that big tree with no leaves till the very top."

"No, you don't," Douglas grunted. "You won't remember the cottage when we see it."

"I will too. Oh, I will! Won't I, mother?"

"Of course, Robert. After all last summer. Can you believe we're really on the way, nearly there?"

"Oh mums," Marian cried. "I can't wait. Will the little tiny yellow kitty be at the other cottage?"

"Say, I bet Sport's hungry," Douglas exclaimed. "I don't see why we had to put him in the baggage car all by himself."

They could not sit still. Rain slanted across the black pines and the sloping rock faces glistened with wet.

"We're nearly there. I remember that little station."

"Not yet."

Oh but this was their country, the moss cushions embroidering the rocks, the hollows spongy with old leaves, the glimpses between pine stems of rippled blue water.

A TRAINSMAN walked through the car, back and forth, calling the wrong names. Other people laughed and pointed, hauling on coats, gathering up bags. People ran along station platforms in the rain, waving, holding out umbrellas.

"Mother, ask him again. It must be next."

"We passed it, I know we did. We'll never get there now."

"He called it! I heard him."

"No, it wasn't," Douglas contradicted darkly. "It only sounded the same. It fooled me last year."

When, after all their fretting, the right station really came, the trainman did not announce it at all.

"Oh, look!" Robert cried. "Oh!"

Douglas started forward. Father rose in his retreat at the end of the car, came toward them smiling, without a word, and began to lift their bags from the rack.

Jumping down from the high step they were in the midst of friends. A year ago today they had stepped down strangers, and now there were

THE BACK PAGE

Suitable contributions to "The Back Page" will be paid for at regular rates. Short articles, verse, epigrams or cartoons of a humorous or ironical or indignant nature are what the editors are seeking. Preference is for topical comment. Address all contributions to "The Back Page", Saturday Night, 73 Richmond St. W., Toronto.

ing to her finger tips. Their father sat alone several seats behind them on the other side of the aisle.

"Stay here," their mother warned them. "He's tired. There's only this day coach."

"This old slow starving train," Robert grumbled. "I don't believe we're really going there. We'll just keep on riding all our lives."

THEY counted horses and cows and sheep. They counted lakes and looked for boats on them. Mother was hungry herself.

Two old ladies across the aisle unpacked satiny ripe tomatoes and paper cups of mayonnaise. Marian could not take her eyes off them; mother dared not look. All down the car paper rustled; egg shells lightly splintered. At Laurel Junction the train stopped and stood.

"If we'd just keep on going, we'd get there," Marian wailed.

Robert glanced round and let go his boat.

"Father's gone!" he cried in horror, catching at the sail as it slid down his legs.

"He's just got out to walk on the platform," mother assured them.

Douglas stood up. "I can't see him. He isn't there."

"Suppose he gets left!"

Marian's mouth went down.

"He won't get left. Besides, there's a train this afternoon."

"We can't go on without father!"

The engine, that moment, gave out a terrifying series of sighs and grunts.

"It's starting. Oh, where is he? Where did he go?"

"Look, it's all right. Here he comes."

Little Miss Muffet

As T. S. Eliot would have written it

(COME in under the shadow of this red tuffet

And I will show you fear in a little Miss Muffet.

She has measured out her life with curds and whey.

(Birth, and multiplication, and subtraction.)

Between Miss Muffet and the tuffet,

Between the curds and the whey,

There falls the shadow of a spider:

The last twist of the spoon.

As Walter de la Mare would have written it

Miss Muffet, drawn by grammaree,

Unto a tuffet went, went she.

With her bowl of curds, and bent her knee,

And ate them up all beautifully.

But something was hanging over her

On a thread of fairy gossamer.

Like the swining ghost of a murderer.

She saw unnameable wizardry,

And far from the tuffet she did flee,

Vanishing into the North Countree.

As D. H. Lawrence would have written it

Little Miss Muffet, not knowing that what she wanted

Was the vibrant, terrific, love of a man,

Sat pitifully on a tuffet.

Substituting curds and whey for an Apocalypse.

But a beautiful black spider with inchoate animalic eyes

Passed her on his way towards the centre of the earth.

She left her puritanic curds, her Galilean whey,

Her domestic tuffet, and went away

Into the darkly bright erotic world, dreaming

Of the inchoate eyes of the horrible splendid Male.

As Gertrude Stein would have written it

Miss Muffet sat. Miss Muffet. Sat.

Sat.

Sat on a

On a tuffet.

Little Miss Muffet Little Muffet Miss Little Muffet

Little Miss Muffet sat on a Little Miss Muffet.

Yes.

As W. H. Auden would have written it

Comrade Muffet was little

But what does that matter?

Save your spittle

For your own platter.

A socially unjust spider

Appropriated the whey

That should have been inside her.

Ta-ra-boom-de-ay.

Black spiders are atavistic.

Black spiders are capitalistic.

Black spiders make me feel fistic.

Comrades, fight for The Day.

KENNETH MILLAR.

Florentine Fancies

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A new and most complete shipment just arrived. This quaint merchandise had a tremendous vogue in its first selling last year. We predict enthusiastic response this year! An oxidized metal that looks like medieval silver and is priced triflingly! Many ornate and useful pieces—from servers to powder boxes, from sugar tongs to brooches! Prices 25c to \$7.50.

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Main Floor, Youne and Albert Streets.

T. EATON CO.

cordial greetings and hands stretched out.

"Glad to see you back."

"Too bad we didn't order you better weather."

The man who carried the luggage, the boy who brought the milk, the fellow with the roaring blue sea-flea, the girl who brought wild raspberries. That lovely year-long life took up its unbroken fabric.

There were the dunnage bags and suitcases they had crammed yesterday—all the thirteen pieces,—and Sport sprang down into Douglas' arms, licking his face in frenzied joy. Marian and Robert ran off along the road and mother and father followed them. Sport, springing from his leash and muzzle like an arrow from the bow, bounded past them.

"He remembers. Sport remembers. Look at him!"

HE PLUNGED into the bushes, he leaped forward and then sprang back to Douglas' hurrying knees. They were all hurrying in the light drizzle on the soaked yellow sand of the road, driven forward not by the rain but by the urgency that had pushed them for days. That urgency was only an acceleration of their eager looking-forward all that winter. Now. Now at last.

Where the path branched from the road, Robert, who was running first, looked back with an anxious, almost frightened face. He glanced right and left, hesitated, and then rushed joyfully ahead.

"I almost forgot which way," he panted triumphantly. "But then I remembered."

"I knew," Douglas shouted. "I knew all the time."

"What's that?" Marian cried.

Sport nearly knocked her down as he plunged after a yellow streak that sprang up a pine trunk and turned to spit contemptuously at him.

"That must be the yellow kitten," mother cried. "How it's grown!"

Marian stared at it. She felt suddenly afraid. She had kept a snapshot of the tiny yellow kitten all

winter. But this was a different creature. Perhaps nothing was the same.

Mother passed her, walking quickly on the red-brown soggy mould, her hat off, raindrops sparkling in her hair. At home mother hated going out when it rained. Father hated carrying things, but now he strode under the dripping branches carrying his fishing rods, a suitcase and the bag with the bathing suits.

"You're not going in now?" mother called.

"The water's always warmer when it's raining. Watch me."

Marian ran again to catch up. They

NAME, PLEASE?

JAMES Aloysius Cholmondely

Cherished each syllable fondly

Till they said to him glumly:

"We'll call you Jay Chumley"

A name is a name, not a rondelay."

The bank-roll of Andrew Beswetherick Swelled to proportions so plethoric That it bought an estate And no end of old plate And a pedigree back to King Etheric.

Rev. Elijah Cadwallader

Daily grew fatter and solidier

Had the Lady of Niger

Resembled Elijah

The tiger could never have swallader.

ISABEL ERICHSEN BROWN.

were all running, the thin, shining rain across the path making a glory before them.

"It's after this turn," Robert panted, holding the sailboat against his chest. "After this turn you can see it."

But not at once. There was a second in which the turn showed only green branches above the ruddy path, in which they wondered whether for a whole year they had imagined the cottage after all. Then through the mesh of leaves, the sheen of rain, they saw the clearing, the white door.

"Oh," Robert cried, holding up his new sailboat for the cottage to see. "Here we are home again."



A NEW WATER SPORT. Captain D'Arcy Rutherford of Monté Carlo brings water skiing to this continent for the first time at Domaine d'Estérel, Quebec. Among Canadians expert in this thrilling new sport is Mrs. W. R. G. Holt of Montreal, who learnt it during the past winter in Nassau where Captain Rutherford spent the winter.